0 14302 76871 1 29

C2710-1

NEWSPAPER

Advertising Age

July 20, 1992

Copyright 1992 by Crain Communications Inc.

Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £5.00 in U.K.

INSIDE

BRAND SCORECARD

The first Ad Age/ Nielsen market share ranking of top supermarket brand names. **Page 20.**

Steve Bronstein

Media Buying & Planning: A peek at the new media department of the '90s. **After Page 24.**

Perot wouldn't go for 'slick' ads

Maverick billionaire rejected advice; lack of direction doomed campaign

By Alice Z. Cuneo

Former undeclared presidential candidate Ross Perot had mixed feelings about Hal Riney's efforts from the start, and considered the adman's work "too slick."

The billionaire's reluctance to accept the advice of experts on his staff who supported Mr. Riney helped lead to Mr. Perot dropping out of the race last week.

Perot

Mr. Perot said he was ending his quest for the White House because the revitalization of the Democratic Party led him to conclude he couldn't win.

Those close to the campaign said Mr. Riney, chairman of Hal Riney & Partners, San Francisco, was contacted about one month ago by campaign co-managers Ed Rollins and Hamilton Jordan, who were interested in recruiting Mr. Riney for the Perot team. Messrs. Riney and Rollins worked together on President Reagan's reelection effort.

The first time Mr. Perot saw the Riney agency reel, he didn't like it. "He thought it was pretty slick, too slick, in fact," a campaign insider said.

But Messrs. Rollins and Jordan continued to sell Mr. Riney to the Texan, along with the concept of a professionally handled campaign. Eventually, it was decided that "someone needed to capture the volunteer spirit" and film the Perot rallies.

Mr. Riney filmed a handful of rallies in California, one in Boston and a Dallas luncheon.

But those working for Mr. Riney found the job difficult, primarily due to a lack of direction.

"There was conflicting direction on what the next steps would be or what form the advertising would take," said someone involved with the shoots. One problem was "an unclear chain of command . . . I sensed there was a lot of experimenting going on, but I never sensed a consensus. Generally, you know what a client is looking for, and I don't know that they knew what they were looking for," he said.

The footage was put into "sample" commercials, up to nine of them, which were interviews with grass-roots Perot supporters as well as people on the street.

The spots were "rough, with very little polish," the campaign insider said, and had no tagline or slogan. But Mr. Perot apparently liked the spots Mr. Riney produced.

He "liked the spots, thought they captured the spirit. The question was whether he wanted a conventional campaign," the insider said.

But Sal Russo, partner in the Sacramento, Calif., political media agency of Russo Marsh Associates and part of the Rollins-Jordan campaign team, said Perot had misgivings about the Riney spots.

"What Perot didn't like . . . was that they were more emotional than factual," he said. "That was one of the problems with a 5-minute biographical spot . . . people who saw it got teary-eyed, but it didn't have any red-meat facts."

Others say Mr. Perot objected to the cost of the Riney spots.

"They were terrific spots from what I heard . . . yes, expensive . . . and that became a problem because someone at the campaign began saying that the spots shouldn't cost more than $1,500 each," said David Sawyer, a New York political consultant at Sawyer/Miller Group.

Mr. Sawyer's company employed Mr. Rollins before he became Perot campaign co-manager.

The candidate began to worry about the cost of a "big budget [media] campaign, maybe $30 million to $50 million," Mr. Sawyer said. Mr. Russo also said Mr. Perot was "surprised at how expensive TV production was."

Mr. Riney eventually met Mr.

(Continued on Page 42)

Doug Goodman

Ad Age's James Brady covers the Democratic convention—Page 24.

Hilton opens doors to $16M review as it struggles with image

By Bradley Johnson

Hilton Hotels Corp., in what could spell the end of its 25-year relationship with McCann-Erickson Worldwide, last week put its estimated $16 million account up for review with McCann and four other West Coast agencies.

But the ad assignment could be difficult for any agency, because it's not clear that Hilton knows what it wants to be. Once precisely positioned as "America's business address," the chain has evolved into an undefined mix of hotels that share little more than a name.

Hilton will be conducting a closed review of McCann and four other agencies based on the West Coast, said E. Hunter Phillips Jr., director of advertising. He wouldn't identify the shops.

The company is looking at agencies that are "extremely aggressive and innovative thinkers, and [that] have creative reputations at the top of the industry," Mr. Phillips said. "We are at a marketing crossroads in our history and clearly need the most capable and aggressive thinking available to us."

Hilton went ahead with the review after a make-or-break meeting July 14 at McCann's Los Angeles office in which the agency presented its 1993 creative strategy.

A McCann spokesman confirmed the agency's plans to pitch the account, but wouldn't comment further.

Hilton hired McCann in 1967 as its first corporate agency

(Continued on Page 42)

Wieden mapping East Coast plan

'Inquirer' win makes some locals grumble

By Laura Loro

PHILADELPHIA—Wieden & Kennedy is beginning a serious push to make inroads on the East Coast.

When Wieden won the highly visible $70 million Subaru account a year ago, the Portland, Ore., agency opened an office here and promised the client not to pursue new business for one year.

Luhr

That moratorium expired June 15. On the very next day, the Philadelphia office won its first new business, the estimated $3 million *Philadelphia Inquirer* account.

Wieden's office now is in the hunt for more new business and not just in Philadelphia. New York accounts are in the agency's sights as Wieden looks to become a major presence in the East.

"We plan to make Philly our home on the East Coast. We look at this as our East Coast hamlet to attack from," said David Luhr, 37, director of account services, who moved from Portland with five other employees to open the suburban Cherry Hill, N.J., office in June 1991. The agency moved into the Center City area here two months later and plans to move again in December, into a historic area of Center City.

He said the agency is pitching a New York account, with a decision due by mid-August.

Much of the growth Wieden, *Ad Age's* Agency of the Year for 1991, has enjoyed can be attributed to the Portland office's work for Nike. Mr. Luhr estimated billings will exceed $250 million this year for Portland, Philadel-

(Continued on Page 40)

LAST MINUTE NEWS

Coors to try malt spritzer

GOLDEN, Colo.—Coors next month will test a malt-flavor spritzer called Zima. That would put Coors into competition with Seagram's Seagram Spritzers, which entered test markets in May and now is in 24 states. Foote, Cone & Belding, San Francisco, handles Zima, which is expected to be tested in several markets including Sacramento, Calif., or San Diego.

Snapple mulls review

VALLEY STREAM, N.Y.—Snapple Beverage Corp. is considering a review of its iced tea and fruit juice account now at MCC, Essex, Conn. The marketer is expected to increase its ad budget, now estimated at less than $5 million. The move follows the appointment of Jude Hammerle, 33, as director of consumer marketing, succeeding James R. Mortensen, now Snapple section director in Kansas City, Mo. Mr. Hammerle, formerly VP-senior copywriter at Ogilvy & Mather, New York, is expected to head Snap-

(Continued on Page 8)

NEWS SUMMARY

■ **Hilton Hotels** is reviewing agencies for its account, now at McCann-Erickson Worldwide. 1

■ **Wieden & Kennedy's** Philadelphia office is starting a push for more East Coast accounts. 1

■ **Quaker Oats Co.** is banking on one new cold cereal and two new hot cereals to regain marketing momentum. 3

■ **Hearst Magazines** is developing a celebrity magazine and is expected to roll out *SmartMoney*. 3

■ **Benadryl** advertising capitalizes on FDA warnings about allergy medication competitor Seldane. 3

■ **General Motors** gives Philip Guarascio more involvement in advertising at the division level. 4

■ **Jaguar Cars** named Ogilvy & Mather in the U.S. 4

■ **Pontiac** credits its current comparative ad campaign with aiding an impressive boost in first-half sales. 12

■ **Ameritech Publishing** is testing an ad-supported audiotex system that allows parents to call for teacher reports summarizing the day's lessons and homework assignments. 16

■ **Toy marketers** Mattel and Playmates are creating syndicated TV programs to promote new toys. 17

■ **Marlboro Grand Prix** organizers are looking for a few more sponsors to back the road race, slated for New York City next year. 25

■ **Magazine** ad pages were up 6.7% in June. 26

■ **Budweiser's** new marketing push in the U.K. may be a prelude to Anheuser-Busch's European expansion. 38

■ **WPP Group's** incoming chairman, Gordon Stevens, brings 40 years' experience as an executive of Unilever. 39

■ **World Cup** sponsorship is General Motors' first worldwide coordinated sports marketing effort. 40

■ **NBC** cut Summer Olympics ad prices by 25%. 44

COMPANY INDEX

The following marketers, media and ad agencies received significant mentions in this issue of *Advertising Age*. (This list excludes Last Minute News, For the Record and other news briefs.)

Adidas 3, 46
American Express Co. 32, 44
Ameritech Publishing 16
Anheuser-Busch 38
Bertolli USA 32
Bozell, Jacobs, Kenyon & Eckhardt 8-2
Capital Cities/ABC 2
Chiat/Day/Mojo 44
Coca-Cola Co. 46
Cutler Sports Apparel 40
DDB Needham Worldwide 41
DeWitt Media 8-28
General Motors Corp. 4, 46
Hearst Magazines 3
Hilton Hotels Corp. 1
International Communications Group 8-28
Jaguar Cars 4
Johnson & Johnson 31
S.C. Johnson & Son 32
K-III Magazines 31
Marion Merrell Dow 3
Mars Inc. 46
MasterCard International 40
Mattel 17
McCann-Erickson Worldwide 1
McElligott Wright Morrison White 43
Media Buying Services 8-28
Philip Morris Cos. 25
Motor Marketing International 25
NBC 4, 44
Ogilvy & Mather 4
PepsiCo 16
Philips Electronics NV 17
Playmates 17
Pontiac 12
Procter & Gamble Co. 8
Quaker Oats Co. 3
Scali, McCabe, Sloves 30
SFM Media 8-28
Target Stores 4
Time Warner Sports Merchandising 40
Visa International 44
Volkswagen of Mexico 38
Warner-Lambert Co. 3
Western International Media 8-28
Western Publishing Co. 35
Wieden & Kennedy 1
Witt-Thomas Productions 4
WPP Group 39

DEPARTMENTS

Ad Review 44
Ad Test 16
James Brady 24
Brand Scorecard 28
Brady's Bunch 28
Classifieds 34
Con-Sid-erations 21
Editorials 21
For the Record 38
Forum 22
Letters 23
MediaWorks 26
New Campaigns 32
People Moving 31
Photo Review 30
Sales Promotion News 25
Special Report: Media Buying ..... after 24

Contents copyright 1992 by Crain Communications Inc. All rights reserved.

Vol. 63, No. 29—ADVERTISING AGE (ISSN 0001-8899) is published weekly (except for a special issue the fourth week in September and a combined year-end issue in December) by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Postmaster: Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.50 a copy, $84 a year, $134 two years. Add $151 per year for air delivery to Europe & Middle East. Add $79 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207-3185 1-800-678-9595. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, 1principal Rd., Wooster, Ohio 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45401 (800 227-4908).

Census data may make ads more single-minded

By Christy Fisher

Nestle Beverage Co. caught a trend in 1990 when it began a series of commercials for Taster's Choice coffee built around the now-famous romance between single neighbors.

The characters portrayed in the campaign are reflective of the nation's singles population—a group significantly underrepresented in advertising. The advertising from McCann-Erickson Worldwide, New York, hit home with a growing segment of the population.

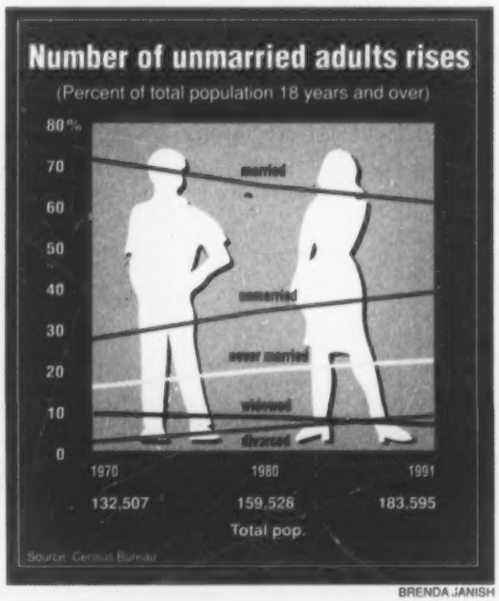
Singles make up 39% of the 183.6 million U.S. adult population, up from 35% in 1980 and 28% in 1970, the U.S. Census Bureau announced last week. That population is expected to continue growing for several years as the divorce rate rises and marriages are delayed, said Arlene Saluter, a census bureau statistician.

The median age of a first marriage for single men is now 26.3 years compared with 25.5 in 1985, and 24.1 years for women vs. 23.3 in 1985.

The changes aren't lost on some major marketers.

AT&T Co. and agency N W Ayer, New York, focus on a single young man in a spot that broke this month skewering rival MCI Communications Corp.'s Friends & Family discount plan. The spot, which has aired on Fox Broadcasting Co.'s new young adult series "Melrose Place," shows the man besieged by calls from friends and family complaining that he gave their phone numbers to MCI.

Over the past decade, food marketers have downsized products to accomodate the decline in household size and households where each member goes a separate way.



BRENDA JANISH

One such product is Procter & Gamble Co.'s Folgers Singles, coffee in single-serve bags. Advertising from Ayer used the song "One" from the Broadway musical "A Chorus Line" to position the product as "One sensational way to wake up."

Travel services aim at singles of all ages. Carnival Cruise Lines offers to match singles with same-sex roommates to make cruising more affordable. A singles event is also held the first evening of every cruise.

Royal Caribbean Cruise Line is considering targeting singles in advertising next year, said Rich Steck, media relations manager. While couples and older single adults in groups are the most frequent cruisegoers, the line is eyeing singles traveling alone.

"It's a viable, growing market . . . worth tapping," he said.

But for the most part, singles are ignored in advertising, and some believe marketers are missing the boat.

"Marketers just don't get it," said Judith Langer of market research/trend consultancy Judith Langer Associates. They understand neither the size of the U.S. single population nor its makeup, she said.

"Marketers are still somewhat uncomfortable with singles—they think they are sad or swinging. The reality is there are very different types of singles out there across all age spans."

Some singles are unmarried and living alone, while others are searching for Mr. or Ms. Right, she said. Some are widowed or divorced, or single parents. A growing number of adults 25 to 29 live at home with their parents, while others share housing.

Single blacks have long been targeted by marketers, perhaps because they represent 56% of African-American adults, according to the census bureau.

Single parents have been represented in ads aimed at black consumers for more than 10 years, said Tom Burrell, chairman of Burrell Communications Group, Chicago. McDonald's Corp. in 1990 ran an ad by Burrell titled, "Mama's Date," which showed a man who wins over his date's son with a visit to McDonald's.

"We've been addressing this issue for quite some time," Mr. Burrell said. "Our philosophy is to talk to people and strike a human chord—hit them where they live."

But marketers also have to be careful how they target singles. Campbell Soup Co.'s Soup for One flopped "just because it sounded so lonely," Ms. Langer said. "Marketers have to be aware there are sensitivities there."

Katie Feifer, VP-group research director at Leo Burnett USA, conceded that "singles have not been a focus [at agencies] except as a subsegment to older Americans. We're still working on the aging of the baby boom, the twentysomething generation and ethnic groups."

But Ms. Feifer added: "Just because there are more single people does not mean that ads need to show single people."

Marketers of mass-appeal products, such as soft drinks, may not want to limit themselves in ads by defining people as being married or unmarried, said Frederick Elkind, senior VP-director at Ogilvy & Mather TrendSights, New York. Instead, they will sell an appealing attitude to get people to buy.

Marketers of services such as auto repair, travel, financial and healthcare could benefit by targeting singles, he said.

Household composition is also more important than marital status.

"A single with a kid is a lot different from a single without a kid," said Martin Horn, VP-associate director of strategic planning and research at DDB Needham Worldwide, Chicago. "A married couple with a child has some of the same concerns in child rearing as a single person with a child. Marital status is less important than the presence of the child."

But targeting single parents could be an opportunity for marketers.

"This is probably an area where empathy would be greatly appreciated," said O&M's Mr. Elkind.

"Non-traditional living arrangements are a challenge for marketers," he said. "It's not like hitting a moving target but hitting a chameleon." □

Kate Fitzgerald contributed to this story.

Sexual harassment lashed in new PSA

By Michael Wilke

A public service announcement to combat sexual harassment in the workplace that was produced and funded by Capital Cities/ABC was scheduled to make its debut today on "Good Morning America."

Cap Cities/ABC created the 30-second spot in-house in association with the Foundation of American Women in Radio & Television.

CBS, Turner Broadcasting System, Lifetime Television and Arts & Entertainment have agreed to run the spot during prime time and will add it to regular PSA rotations afterward.

In the spot, a woman is approached by her boss, who says she's doing a good job but she's not using all her "assets."

The boss then says the woman should be sexier, and as he speaks, the woman's body starts shrinking. At the end of the spot, viewers are urged to pick up a brochure on sexual harassment available at public libraries. □

Exclusive
Ad Age
A.C. Nielsen
market shares

BRAND SCORECARD

This report ranks the top 10 brands in 10 of the fastest growing supermarket categories.

Beer

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Budweiser	$848.4	7.2	16.9	17.4
2	2	Miller Lite	436.6	-1.1	8.7	9.7
3	3	Coors Light	363.4	6.6	7.3	7.5
4	4	Bud Light	338.4	14.7	6.8	6.5
5	5	Miller Genuine Draft	222.5	8.3	4.4	4.5
6	6	Busch	198.4	9.5	4.0	4.0
7	7	Milwaukee's Best	152.5	7.6	3.0	3.1
8	11	Natural Light	151.2	35.5	3.0	2.5
9	8	Bud Dry	110.7	-8.4	2.2	2.7
10	9	Miller High Life	108.5	-6.2	2.2	2.5
		Total beer	5,008.8	10.0	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

Popular-price beers are the biggest winners, with two Anheuser-Busch brands, Busch and Natural Light, outperforming their higher-price siblings. Bud Light regained some ground on rival Coors Light, but still trails in market share. Miller Genuine Draft's share held steady, but Miller Lite and High Life saw sales and share slippage.

Canned soup

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Campbell's	$1,580.7	3.5	75.3	76.5
2	2	Progresso	170.9	-2.7	8.1	8.8
3	3	private labels	120.9	9.4	5.8	5.5
4	4	Swanson	63.0	12.2	3.0	2.8
5	5	College Inn	39.9	10.8	1.9	1.8
6	38	Healthy Choice	38.6	NA	1.8	0.0
7	7	Snow's	10.9	-10.9	0.5	0.6
8	13	Health Valley	7.4	114.4	0.4	0.2
9	11	Pritikin	7.2	56.9	0.3	0.2
10	9	Sweet Sue	6.5	22.0	0.3	0.3
		Total canned soup	2,100.6	5.2	100.0	100.0

Dollars are in millions for 52 weeks ending April 18, 1992.

"Healthy" soups with reduced calorie and sodium content are growing. The year-old Healthy Choice line zoomed into the No. 6 slot and is readying new varieties for the coming fall-winter soup season. Meanwhile, Quaker Oats Co.'s Pritikin, Campbell's Healthy Request and Health Valley also are stealing share from regular soups.

Ready-to-eat cereal

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	3	private labels	$340.2	23.5	4.8	4.2
2	1	General Mills' Cheerios	331.7	3.9	4.7	4.8
3	2	Kellogg's Frosted Flakes	306.2	4.4	4.3	4.4
4	4	Kellogg's Corn Flakes	231.9	3.6	3.3	3.4
5	5	Gen. Mills' Honey Nut Cheerios	229.7	4.5	3.3	3.3
6	6	Kellogg's Rice Krispies	227.8	9.0	3.2	3.2
7	7	Kellogg's Raisin Bran	203.8	0.2	2.9	3.1
8	9	Kellogg's Frosted Mini-Wheats	183.0	32.5	2.6	2.1
9	8	Kellogg's Froot Loops	165.4	11.1	2.3	2.3
10	10	General Mills' Lucky Charms	142.6	4.9	2.0	2.1
		Total ready-to-eat cereal	7,041.0	6.6	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

Sales rebounds for older, core brands including Rice Krispies and Froot Loops have helped cereal leader Kellogg Co. reverse a market share slide—as have big advances for brands like Frosted Mini-Wheats. General Mills' Cheerios franchise is growing, but more slowly than the market. Private-label cereals remain hot.

Disposable diapers

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Huggies	$643.4	-6.4	30.1	32.4
2	2	Pampers	624.0	11.3	29.2	26.5
3	3	Luvs	436.3	-11.1	20.4	23.2
4	4	private labels	269.8	23.1	12.6	10.3
5	5	Fitti	31.7	8.0	1.5	1.4
6	7	Cozies	30.0	42.8	1.4	1.0
7	6	Drypers	28.8	20.5	1.3	1.1
8	8	Baby's Choice	22.9	22.6	1.1	0.9
9	10	Cuddles	11.7	12.6	0.5	0.5
10	9	Snuggems	11.5	-29.8	0.5	0.8
		Total disposable diapers	2,135.3	0.8	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

No. 1 Procter & Gamble Co. held its total share of the category in the last year—thanks to Pampers, which grew while the Luvs brand lost nearly 3 share points. Kimberly-Clark Corp.'s Huggies also lost share but is pinning hopes on its new UltraTrim line, entering lead markets this month. Private-label diapers are booming.

Infant formula

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Similac	$566.0	6.6	35.2	36.2
2	2	Enfamil	350.2	1.7	21.8	23.5
3	3	Isomil	222.8	7.1	13.9	14.2
4	5	SMA	121.4	22.2	7.5	6.8
5	4	Prosobee	113.1	8.5	7.0	7.1
6	6	Gerber	59.2	6.6	3.7	3.8
7	7	Nursoy	55.2	17.6	3.4	3.2
8	9	Carnation Follow-Up	38.4	76.6	2.4	1.5
9	10	Good Start	30.5	133.8	1.9	0.9
10	8	Nutramigen	27.6	26.1	1.7	1.5
		Total infant formula	1,608.2	9.8	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

The leaders in infant formula, Ross Laboratories (Similac, Isomil) and Mead Johnson (Enfamil, Prosobee), both lost share last year, while relative newcomer Nestle continued to make small but significant inroads with its Good Start and Carnation Follow-Up formulas. The other winner: Wyeth-Ayerst Laboratories (SMA and Nursoy).

Cigarettes

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Marlboro	$2,060.1	6.7	20.9	20.5
2	2	Winston	806.1	-6.3	8.2	9.1
3	3	Salem	599.2	-2.5	6.1	6.5
4	4	Doral Light & Full Flavor	529.0	20.3	5.4	4.7
5	7	Camel	398.6	4.6	4.0	4.0
6	5	Merit	390.0	-0.9	4.0	4.2
7	6	Benson & Hedges	375.4	-2.0	3.8	4.1
8	9	Virginia Slims	370.1	0.3	3.7	3.9
9	8	Kool	365.5	-1.1	3.7	3.9
10	11	Cambridge	329.5	29.3	3.3	2.7
		Total cigarettes	9,871.7	4.8	100.0	100.0

Dollars are in millions for year ending Jan./Feb. 1992.

Helped by the success of new Marlboro Medium, Philip Morris' lead brand gained share in supermarkets during the last year. R.J. Reynolds' Winston, despite new Wrap packaging and the introduction of Winston Select with an improved tobacco product, dropped nearly a full share point. Generics remain the hot trend.

Shelf stable drink

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Ocean Spray	$393.1	4.4	22.4	22.4
2	2	Gatorade	314.8	9.4	17.9	17.1
3	3	Hi-C	172.1	-11.2	9.8	11.6
4	4	Tropicana	137.6	24.7	7.8	6.6
5	5	private labels	115.7	8.1	6.6	6.4
6	6	Hawaiian Punch	85.7	0.8	4.9	5.1
7	7	Kool-Aid	77.8	5.9	4.4	4.4
8	9	Capri Sun	77.5	9.4	4.4	4.2
9	9	Squeezit	47.3	13.7	2.7	2.5
10	10	Welch's	28.0	0.0	1.6	1.7
		Total shelf stable drinks	1,753.7	4.5	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

The big news has been the success of Tropicana Twister adult mixed-fruit juices, which this year has added new varieties and moved into the freezer case. But two kids' drinks also have outperformed the market: General Mills' Squeezit and Kool-Aid Kool Bursts. Their success has dented sales of the old standby, Coca-Cola Foods' Hi-C.

Packaged detergents

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Tide	$466.6	4.9	23.2	23.7
2	2	Tide with Bleach	286.5	-6.0	14.2	16.3
3	3	Cheer	171.0	4.7	8.5	8.7
4	4	Surf	142.4	-9.1	7.1	8.4
5	5	Arm & Hammer	111.4	16.5	5.5	5.1
6	17	Wisk Power Scoop	101.2	207.9	5.0	1.8
7	10	Gain	91.6	82.0	4.6	2.7
8	8	Bold	82.9	45.5	4.1	3.0
9	11	Fab	71.8	55.3	3.6	2.5
10	6	Oxydol with Bleach	66.3	2.7	3.3	3.4
		Total packaged detergents	2,010.7	7.3	100.0	100.0

Dollars are in millions for 52 weeks ending May 23, 1992.

The rise of superconcentrated "ultra" products helped the powder detergent category post a healthy 7.3% boost. Market leader P&G has seen particular success in revitalizing three older brands—Gain, Bold and Oxydol—with redone ultra versions. But the largest detergent brand, Tide, didn't keep pace, losing supermarket share.

Peanut butter

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Jif	$304.9	-1.9	31.3	32.8
2	2	Skippy	195.8	-4.6	20.1	21.6
3	3	private labels	176.4	0.3	18.1	18.5
4	4	Peter Pan	143.8	-3.8	14.8	15.8
5	14	Simply Jif	37.7	1,606.3	3.9	0.2
6	5	Smucker's	27.0	-3.7	2.8	3.0
7	NA	Reese's	18.8	NA	1.9	NA
8	6	Adams	13.4	-7.3	1.4	1.5
9	7	Laura Scudder's	13.2	-6.3	1.4	1.5
10	8	Generic	7.1	-37.6	0.7	1.2
		Total peanut butter	974.4	2.7	100.0	100.0

Dollars are in millions for 52 weeks ending May 23, 1992.

The three leading peanut butter brands have suffered from too-aggressive pricing, with sales down for all three. Another possible result: Less-expensive private-label brands have posted slight advances. Making waves are newcomers Reese's peanut butter and Simply Jif—a no-salt version of Procter & Gamble's brand.

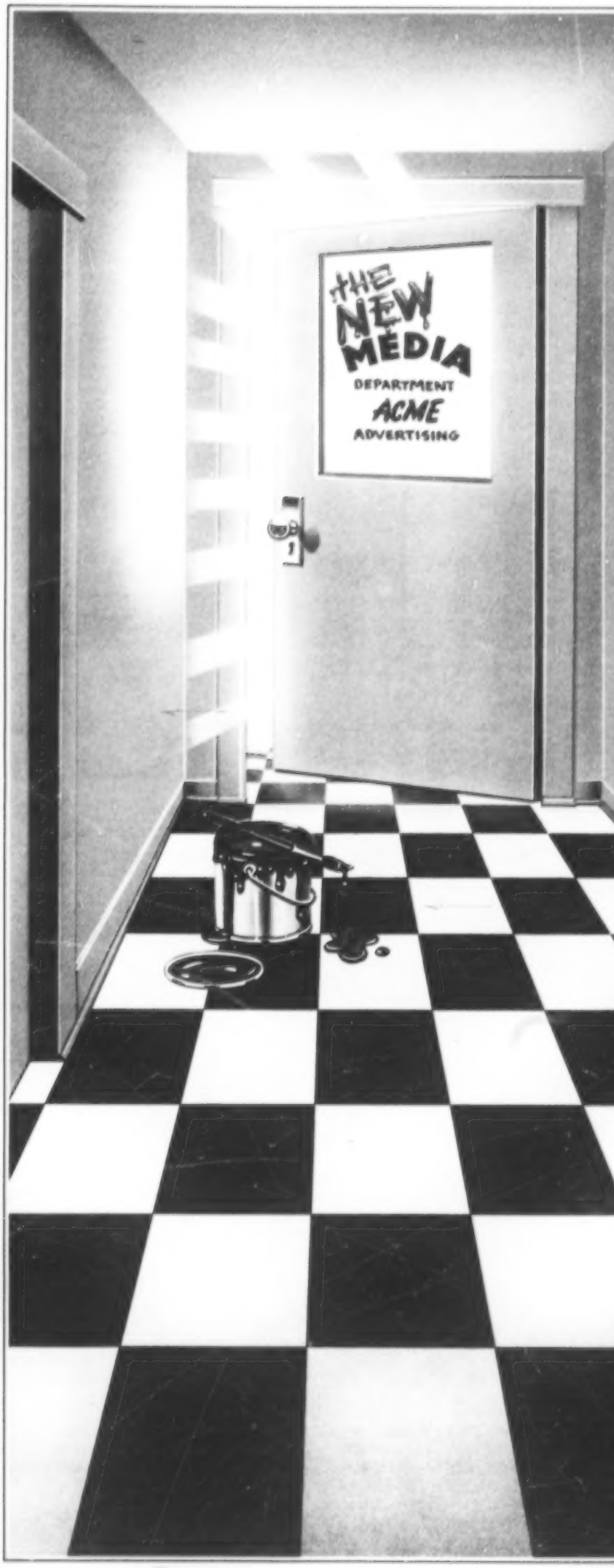
Frozen pizza

Rank '92	Rank '91	Brand	Sales to date 1992	Sales to date % chg	Market share 1992	Market share 1991
1	1	Tombstone	$221.7	15.2	17.2	15.8
2	2	Tony's	158.4	6.5	12.3	12.2
3	5	Red Baron	137.3	17.8	10.6	9.6
4	4	Totino's	132.0	11.5	10.2	9.7
5	3	Stouffer's	112.3	-5.5	8.7	9.8
6	6	private labels	82.2	5.5	6.4	6.4
7	7	Celeste	59.8	-2.5	4.6	5.0
8	9	Jack's	54.4	31.1	4.2	3.4
9	8	McCain Ellie's	52.4	6.9	4.1	4.0
10	10	Jeno's	40.0	-2.1	3.1	3.4
		Total frozen pizza	1,292.1	6.1	100.0	100.0

Dollars are in millions for 52 weeks ending May 16, 1992.

Kraft General Foods' Tombstone continues to expand distribution and solidify its position as the top-selling pizza brand, while Pillsbury's Totino's—which staged a major comeback two years ago—gained share with its popular-price family pizzas. The recession has helped frozen pizza sales, at the expense of pizza restaurants.

Source: Data from A.C. Nielson ScanTrack represent market share in supermarkets with annual revenues greater than $2 million. **AA analysis:** Julie Liesse. **AA chart:** Kevin Brown. **Notes:** Percent change is computed on previous year sales figures, not shown.



How Media Departments Are Changing

There's a new source of energy at ad agencies. Media buying & planning functions, once relegated to second-class status in the agency hierarchy, have taken on new importance. Departments are leaner yet more efficient, younger yet more diverse. It's a time of change, and media departments are making that their advantage.

Inside:

Streamlined units put senior execs on firing line.
Page S-2

Introducing the media group built for the 1990s.
Page S-2

Computer-savvy directors muscle way to forefront.
Page S-6

Morale problems? What morale problems?
Page S-14

Media planners zoom in for a consumer close-up.
Page S-18

Billion-dollar baby puts spotlight on independent shops.
Page S-28

Edited by Adrienne Ward

Illustration by Steve Bjorkman

Media departments streamline, put senior execs on firing line

Squeezed profit margins and cutbacks dramatically alter how units tick

By Joe Mandese

The media buying and planning landscape could be altered permanently as ad agency media departments undergo fundamental changes in their internal structures.

According to an exclusive *Advertising Age* survey of media directors, conducted by Beta Research Corp., media departments are changing drastically in size and structure.

Declining agency and client profit margins, staff cutbacks, increased workload and a more competitive and complicated media environment have altered the way agencies staff and run their media departments.

"There's more pressure than ever on media departments, because advertisers and marketers are feeling the pressures of smaller margins and have to make each of their dollars go as far as they can," says Larry Cole, exec VP-media director of Ogilvy & Mather Worldwide, New York.

The *Ad Age*/Beta survey, conducted by telephone in June, found many media departments are shrinking: 37.3% of respondents said their media departments were smaller today than three years ago; 39.3% said they were the same size; and only 22.9% said they were larger.

Moreover, the impact has been greatest on the biggest ad agencies: 62.5% of those with billings of more than $100 million said they had smaller media departments than three years ago, and 51.3% of those with billings between $50 million and $100 million said they're smaller. *(See related story on Page S-30.)*

> "Much of the research capability is moving to the supplier side."

To streamline for efficiency and eliminate the appearance that junior buyers are making the big decisions, Mr. Cole says most major agencies have flattened the structure of media departments, cutting out much of the middle management and lower-level staff and placing more hands-on responsibility on senior media managers.

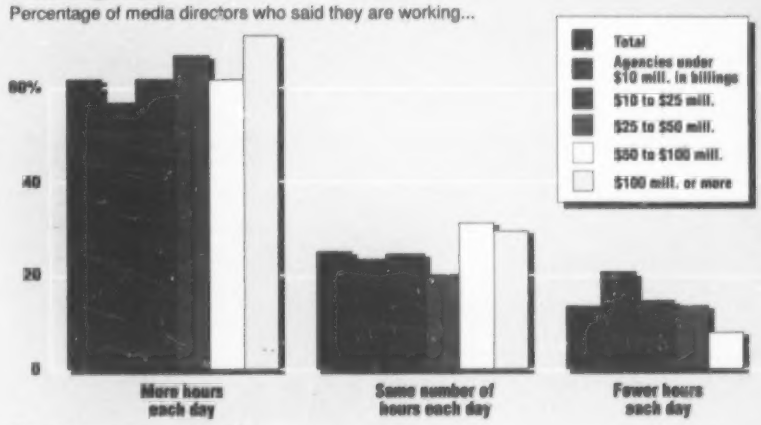
In part, these moves are due to economic pragmatism. But they also are a tacit acknowledgment that the classic pyramid structure of big agency media departments had removed some of the best media talent from clients' businesses.

This hit home several years ago, when stories began circulating about young media planners—barely out of college—who were making virtually unsupervised media spending deci-

(Continued on Page S-30)

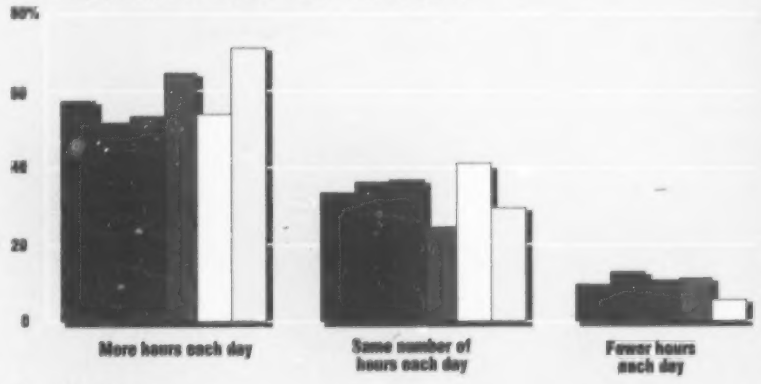
Working hard

Percentage of media directors who said they are working...



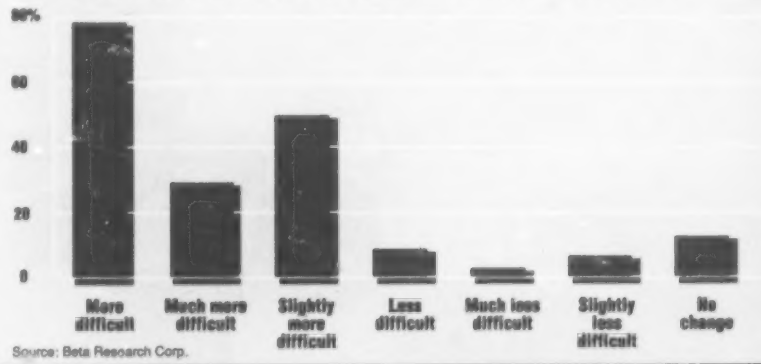
Employee workload

Percentage of respondents who said their staff is working...



Headaches

Percentage of respondents who said their jobs are more difficult than 3 years ago...



Source: Beta Research Corp.

Introducing the media group built for the 1990s

By Joe Mandese

When Bozell, Jacobs, Kenyon & Eckhardt spun one of its agencies' media departments into a free standing subsidiary called BJK&E Media last May, it ushered in a new era for agency media departments.

Several other agencies, including DDB Needham Worldwide, Lintas:USA and Saatchi & Saatchi Advertising, have established entrepreneurial units within their media departments, and most big agencies regularly pitch media-only accounts. But Bozell's move made it the first to unbundle its media operations from the rest of the agency.

"We feel that it positions us to take advantage of whatever way the market moves," says Chuck Peebler, BJK&E ceo. "We have invested heavily in the development of our media services, and this gives us a way to service the business of all our agencies and, at the same time, position ourselves to even more aggressively solicit opportunities outside the clients that are serviced by those agencies."

The BJK&E move will significantly change the way the media group is perceived and funded within the holding company's new structure.

By operating as an independent unit, BJK&E Media will be accountable for the income it brings in from clients, as well as for how those revenues are reinvested into the media department.

"Financially, [Bozell] will be measured differently, and

> "Media departments have become much more entrepreneurial than they were in the past."

I think that is a significant change," says Richard Kostyra, exec VP-U.S. director of media services of J. Walter Thompson USA. "There has been a move by a few agencies to unbundle their media departments [previously], but . . . those moves have been strictly cosmetic."

The change, says Mr. Kostyra, could provide a significant advantage to BJK&E Media if it proves successful at generating new business. Currently, many agency media departments receive a disproportionately small share of gross income.

According to a recent analysis of agency costs by the American Association of Advertising Agencies, the media department, as a percentage of total agency payroll, receives only about 12% of gross income at major ad agencies. That compares with about 28% for account service and 27% for creative.

"If you look at where the agency's income is going, it isn't media. Most of it is going to creative and into account management," says Walter Staab, president of SFM Media, a major independent media service.

To justify getting additional funding from management, many major-agency media directors have stepped up new-business efforts. And some are actively using their media departments as a selling tool to lure new clients.

"Media departments have become much more entrepreneurial than they were in the past and, as that occurs, money will bounce back into the department," says Dawn Sibley, senior VP-media director of Ally & Gargano, Westport, Conn.

Indeed, virtually all major

(Continued on Page S-31)

Computer-savvy directors muscle way to forefront

The era of the media specialist yields ground to the advertising generalist who's more flexible and more involved in department

By Scott Donaton

As the media world continues to fragment and agency media departments increase in importance, a new breed of media director is moving into the forefront.

These young media professionals are members of the computer age. They differ from their predecessors not only in computer literacy, but in how they grasp a more complex array of media choices.

They're also—if you ask them—more flexible, closer to clients, more hands-on in their departments' activities and more creative in their approach to the discipline.

Perhaps more importantly, they no longer consider themselves media specialists but advertising generalists, with an overall understanding of their clients' needs and problems.

Who are these new media directors and planners? The list is long but includes Hal Riney & Partners' David Verklin; Ammirati & Puris' Michael Lotito; Scali, McCabe, Sloves' Alan Jurmain; Chiat/Day/Mojo's Stacey Lippman; Wieden & Kennedy's Scot Butler; McCann-Erickson's George Hayes; Fallon McElligott's Kate Holmes; and Young & Rubicam's Beth Rockwood.

"In the old days, when it was a little less complex, the idea was you looked at the media opportunities and availabilities and figured out why you didn't want to do some things and whatever was left, you did," says Mr. Hayes, senior VP-media director of McCann's Comcord unit, based in New York, which handles the media buying and planning for Nestle USA.

"Now, the attitude has to be looking at ways to put things together instead of that shaving process," says Mr. Hayes. "It takes a person who can be a real advertising generalist."

"We're not media professionals but advertising professionals," agrees Mr. Jurmain, exec VP-media director at Scali. "Our clients are much more involved and savvy. We have to be smarter."

As budgets get squeezed, advertisers are demanding more accountability and impact for every dollar spent.

"The business has become more complicated and, as a result of that complexity, media have really risen in importance to our clients," says Mr. Lotito, exec VP-director of media services at Ammirati & Puris.

"The real result of that is the media directors of the future are building much stronger relationships with clients than older media directors ever did."

"I have to be more than media-fixated," he says. "My value to clients is expanded exponentially when I can help them with all aspects of their advertising."

To keep up with agency clients, Mr. Lotito routinely attends strategic briefings and creative presentations and develops plans that suggest not only how a client's media budget is spent but how promotion and direct marketing dollars are allocated.

Steve Bosworth

"The specialist is a thing of the past," he says. "I much prefer to play in different arenas at different times."

To say today's media directors are a different breed isn't to insult their predecessors.

Mr. Lippman, Chiat/Day's senior VP-corporate media director, points out that many so-called "old guard" media directors have thrived by adapting to the changing media environment.

> "I much prefer to play in different arenas at different times."

"There's no question the media business now is completely different than it was 20 years ago," says Mr. Lippman. "But there's a tendency for everyone to think things are better and more difficult now than in the past, and I'm not sure I go along with that."

But, he concedes, younger media directors are at an advantage because they grew up in this more complex media world and don't have to make the same adjustments.

"You take a good young guy like [Hal Riney's] David Verklin," Mr. Lippman says. "He didn't come up with the three [TV] networks and *Life* and *Look*."

Some would argue whether the skills necessary to be a good media director today are any different than they were 20 years ago.

"The new wave of media directors is in many ways the same as the old wave of media directors," says Kurt O'Hare, president of O'Hare & Associates, an executive recruiter. "As the current crop of media directors moves on and the new crop comes in, there doesn't seem to be much of a change in what agencies look for to make their departments work.

"You look at an Alec Gerster [exec VP-media director at Grey Advertising], who's been in the job for years and was part of the media department's transition from back office to front. I don't think [the media department changes] all came about with a Lippman coming in."

"I don't think the skills have really changed—the emphasis has changed," says Joseph Ostrow, exec VP-worldwide media director at Foote, Cone & Belding, and one of the most respected of the industry's senior media professionals.

"Our emphasis is on increased creativity. The point of differentiation today is not just that we're going to negotiate lower costs . . . We think it will be creativity, whether in the way we define a market or utilize new media forms."

To hammer that point home to those under him, Mr. Ostrow last year introduced an interoffice competition that rewards creativity in the media department.

Scali's Mr. Jurmain thinks the key difference between the old and new is the willingness of the new generation to roll up its sleeves.

"The involvement of the media director is so much greater now," he says. "It used to be you tried to get a department fully staffed and up to speed. Now it's much more fluid. You really have to build a department that is prepared to handle turn-on-a-dime changes day to day as the rule instead of the exception."

And, as media departments become more involved with clients, they need to tailor their approach to meet each client's needs.

"We used to have one presentation we'd wheel from one client meeting to the next," Mr. Jurmain says. "You

(Continued on Page S-26)

Director personalities are different, too, Hayes believes

Media leaders are undergoing a changing of the guard, as young directors and supervisors in their 30s and 40s take over the top spots in their agencies' media departments. Scott Donaton profiles some of them here and on Page S-26.

George Hayes, senior VP-media director of McCann-Erickson's Comcord unit, believes the new generation of media directors differ from their predecessors not only in attitude but in personality.

Hayes

"It takes a different kind of person, a younger person mentally. With the advent of computers, a numbers-oriented person is no longer at a premium."

Mr. Hayes, 40, started his career in the media department of J. Walter Thompson USA before joining McCann as a media planner 17 years ago. □

Verklin sees himself, peers as 'renaissance media people'

David Verklin would be the ideal poster boy for the new generation of media directors.

The 36-year-old corporate media director at Hal Riney & Partners, San Francisco, is viewed as one of the industry's best and brightest rising stars. He even refers to himself and his peers as "renaissance media people."

Verklin

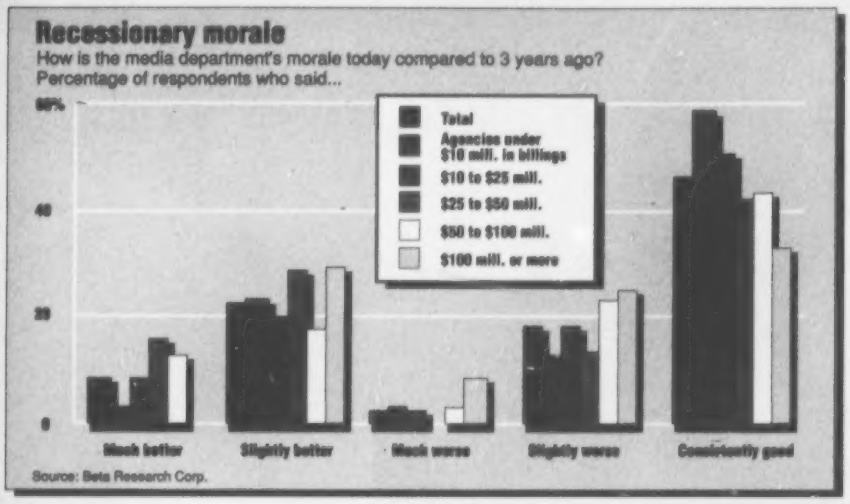
In January, he added the title of director of business development in another sign of the growing clout of media directors.

He believes the best young media directors are accessible—to both media and clients—and not afraid to get their hands dirty.

His accessibility to clients may be considered a shortcoming by his staff. "My people complain that it's easier to see me if you're a media rep than if you work for me," he admits.

Like many other young media leaders, he's a believer in the theory that today's media director has to be more of an advertising and marketing generalist than a media specialist, and must also work closely with agency creative departments.

Mr. Verklin has been with Riney for five years. Prior to that, he spent two years as media director of Livingston & Co., Seattle. He began his career at Young & Rubicam. □



Morale problems? What morale problems? Staffers glad to have job

By Melanie Rigney

If you think the rank-and-file in the media business are feeling oppressed, think again. The agency market is so tight now, most folks are just glad to be working.

"Morale for me is very good, especially because you have to consider you're lucky you have a job," says Kimberly Hobson, a media planner at BBDO Worldwide, New York.

Many low- and mid-level staffers at several U.S. agencies, ranging from mega-agencies to shops with less than $20 million in billings, say morale is good.

That dovetails with the findings of the *Advertising Age*/Beta Research Corp. survey of media managers. In the survey, media directors said morale is good even though their employees are working longer hours and with greater stress.

Only two people described morale as needing improvement. One of them, a mid-level supervisor at a major New York agency, described media department morale as "horrible."

"I hear there are raise freezes all over town," the executive says. ". . . It's pretty bad."

But for the most part, she was in the minority. Most other sources interviewed for this story—even those planners and buyers who were promised anonymity—had nothing bad to say about morale.

"Everyone's always going to have something to complain about, but here, morale is good," Ms. Hobson says. "The hours are tough, the pay is low and no one is going to say that doesn't matter . . . But everything else is really good."

The "everything else" can include client interaction, internal recognition, comradery and, for some people, minimal amounts of time-consuming paperwork.

In Ms. Hobson's case, it includes a three-month stint in BBDO's Paris office. In the last two years, other media staffers have gone to Australia and Costa Rica in similar exchanges, which BBDO organizes to familiarize staffers with the agency's international operations.

At Saatchi & Saatchi Pacific, Torrance, Calif., the media department's value is emphasized, says Paul Silverman, a media supervisor.

Mr. Silverman serves on a new-business committee that includes CEO Joe Cronin. Within the committee, Mr. Cronin has made it clear "media is what brings in bill-

(Continued on Page S-26)

JUST PUBLISHED!

The Only Resource You'll Ever Need to Buy Cable . . .

Introducing a New and Better Way to Buy Cable in the 1990s . . . With the *NEW* 1992 Edition of the CABLE SPOT ADVERTISING DIRECTORY!

The *NEW* **CABLE SPOT ADVERTISING DIRECTORY** now published by National Register Publishing in conjunction with the Cabletelevision Advertising Bureau . . . you benefit from National Register Publishing's 77 years of publishing experience in providing specialized data to marketers and agencies and the CAB's authoritative expertise in cable media.

No Other Cable Media Guide Offers You So Much Valuable Data . . . and Makes It So Easy to Use!

And the 1992 Edition now includes these new features . . .

NEW! The 1992 Edition of the **CABLE SPOT ADVERTISING DIRECTORY** is the only resource of its kind designed specifically for media buyers–each listing provides the critical information you need to evaluate a cable system easily.

NEW! Expanded listings, with more than 700 cable systems profiled. All 211 DMAs (Designated Market Areas) are represented, covering thousands of counties across the U.S. Over 700 pages . . . twice as big as the previous edition!

NEW! All information is organized geographically by DMA . . . with data and maps provided by Nielsen Media Research.

NEW! Published annually, all data are updated and verified by the cable systems themselves . . . for facts you can work with confidently.

PLUS! 3 NEW indexes to make the reference even easier to use!

Order your copy today for just **$125.00** . . . an incredible price for valuable media information that is simply unavailable anywhere else! You can also receive a savings of 7% if you place a *standing order*–and all future editions will be sent to you automatically upon publication at a 5% discount!

THE NATIONAL REGISTER PUBLISHING GUARANTEE
You must be completely satisfied with the product(s), or you can return your order within 30 days at no risk.

Now published by National Register Publishing in conjunction with
CAB™
Cabletelevision Advertising Bureau

YES! Send me the 1992 Edition of the NEW ***CABLE SPOT ADVERTISING DIRECTORY***, right away.

____ copies at First-Year Standing Order Price $116.25. A savings of 7%!*
____ copies at Regular Price of $125.00 each.

Total of Purchases $_____
Shipping and Handling (Add 7%) $_____
Sales Tax $_____
TOTAL $_____

❑ Payment enclosed. (Payable to National Register Publishing)
❑ Bill me. P.O. Number_____(Please include copy of purchase order.)
❑ Visa ❑ MasterCard ❑ American Express
Acct. No._____Exp. Date_____
Signature_____
Name_____Title_____
Company_____
Address_____
City_____State_____Zip_____
Telephone (_____)_____Type of Business_____

*7% discount for one new standing order, 9% for two new standing orders and 10% for three or more new standing orders on any National Register Publishing title. All future editions will be sent automatically upon publication at a 5% discount.

Canadian customers please include 7% for the Goods and Service Tax. Applicable sales tax must be included. Prices subject to change without notice. All invoices payable in U.S. dollars. Prices applicable in the U.S., its territories and in Canada.

For Faster Service, Call 1-800-323-6772
FAX: 1-908-665-6688

National Register Publishing
A Reed Reference Publishing Company
121 Chanlon Road
New Providence, New Jersey 07974

AA-702

Media planners zoom in for a consumer close-up

As new options enable better audience analysis, agencies can greatly tighten clients' ad focus

By Laura Loro

Media planners are targeting their audiences more narrowly than ever.

The *Advertising Age*/Beta Research Corp. survey of media directors found 76.6% of respondents are defining target audiences more narrowly than they were just three years ago. The trend is even more prevalent in small and medium-size agencies *(see charts on Page S-34)*.

Media executives at some top U.S. agencies attribute the trend to the fractionalization of media, better information, sophisticated computerization and the tough economy.

"The best plans flow out of highly focused targets—the more specific the better," says Jay Schoenfeld, exec VP-media director, Backer Spielvogel Bates. "It's not just women over 18 anymore. Pin it down—what she does, what she buys, how she consumes media."

Advanced media options such as cable, video technology, pay per view and interactive TV have made it possible for planners to target more narrowly. As media options proliferate, agency media executives say it just makes sense to define targets as tightly as possible.

"Media with subscribers, such as print media, and to some degree cable, are doing a better job of analyzing their subscribers in detail and making available to us lists of circulation to fit our list of products," says Bob Giacomino, senior VP-media manager at Grey Advertising.

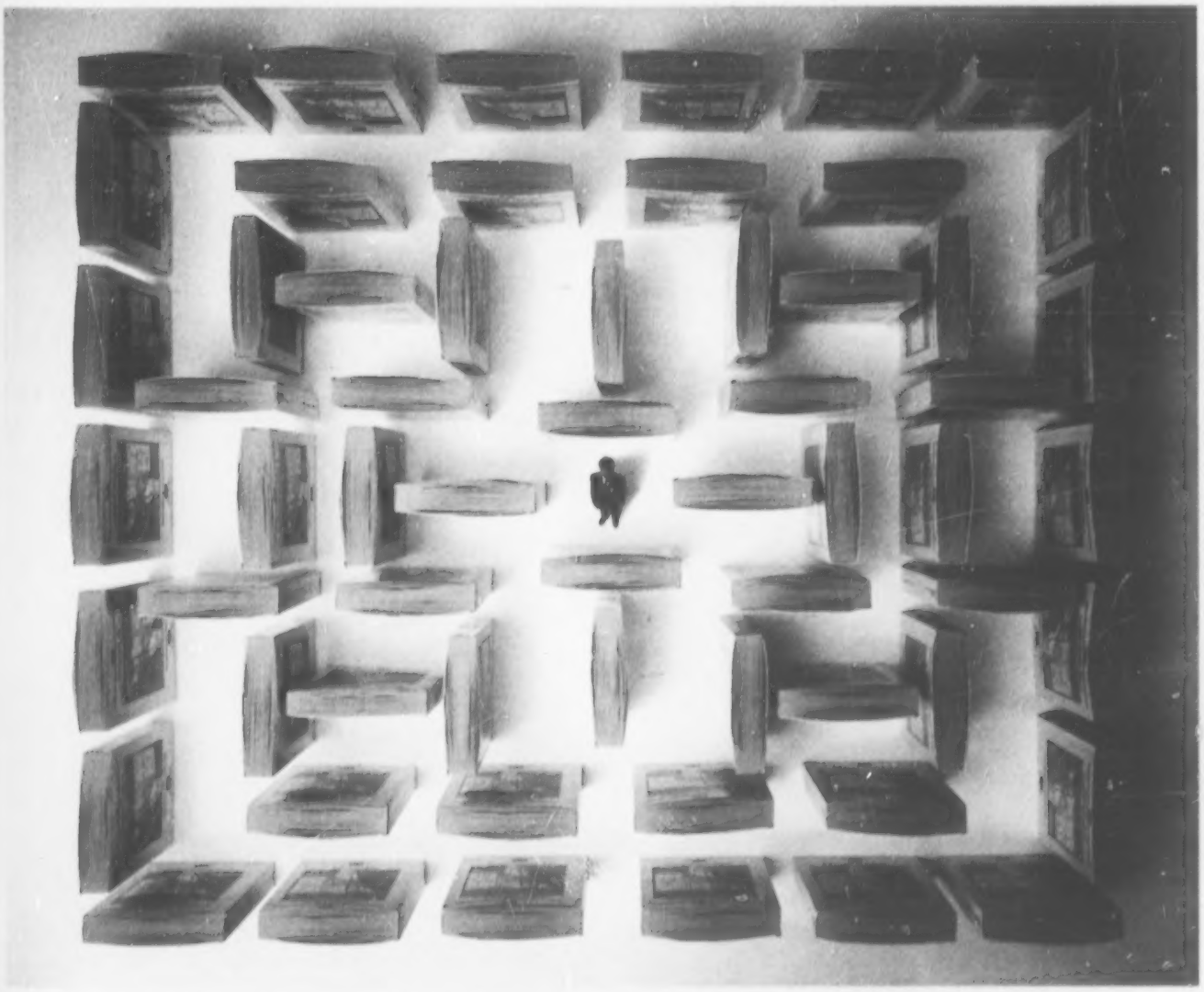
For example, an automotive advertiser can target magazine readers with cars that are five years old or older. Such precise targeting is now possible through select binding and ink jetting, Mr. Giacomino says.

Cable has the potential to manipulate subscriber lists in the same manner, but Mr. Giacomino says it's not at that stage yet. But, he adds, "cable will do well to take a page from what print people do. This is an advantage cable has over broadcast networks."

As TV viewing choices grow, more agencies are matching particular groups with program types and preferences. "It is becoming easier to define people by the programming they watch. If someone watches 'Murphy Brown' and 'Designing Women' . . . you are defining taste and routine beyond media measurement. You can link that more directly to product purchase," says Beth Rockwood, director of media planning, Young & Rubicam.

"One of our insights is to choose programs that would reach mom and children simultaneously, because the kid says to mom, 'Buy this,' " she says. For Kraft General Foods' Jell-O, the agency

(Continued on Page S-34)



If you're searching for ways to make your Yellow Pages business more profitable, GTE can show you the way.

It's a Yellow Pages jungle out there. And it's hard to know which way to turn when it comes to making the most of your Yellow Pages business.

GTE National Accounts can lead you out of the Yellow Pages jungle and into higher Yellow Pages profits. How?

Our marketing information systems feature the industry's most comprehensive mapping and statistical capabilities to help you make more effective directory buys. Our processing systems help you streamline ad placements across the nation, reducing paperwork and keeping billing on track. Also, our expert representatives make sure you get the service you need.

And when you advertise in GTE-published directories, you get innovative policies to help you build more valuable programs for your clients, in addition to higher profits for yourself.

Like commission structures that reward you for regional buys. Higher commissions for new business. Value pricing based on target audience reach instead of pure circulation. Bankruptcy protection. And a partnership in media research.

Call us today at 1-800-835-6093. We can show you lots of ways to make more green with your yellow.

GTE National Accounts

THE POWER IS ON

Underpaid, yes; but some see favorable shift coming

'Top dollars will always go to the most visible players,' but media people are becoming more valuable to agencies

By Janice Kelly

Media buyers and planners don't agree on a lot of things, but bring up paychecks and most claim they're underpaid—especially, they say, when compared with colleagues in creative and account services.

According to the *Advertising Age*/Beta Research Corp. survey of media executives, entry-level media staffers currently earn an average of $17,900 a year, up 11.9% from 1989. Middle-level supervisors earn $31,900 a year, up 10.4% from 1989. And senior-level media people will average $60,500 this year, up 4.8% from three years ago.

Venture over to the other side of the hall, however, where the account managers and the creatives work, and the senior-level salaries are quite a bit higher, according to two personnel companies.

O'Hare & Associates, an executive recruiter specializing in ad agencies, estimates the average account manager salary was $75,000 in 1991.

The same year, the average salary for creative directors was $85,000, says Susan Friedman, president of her own recruiting operation.

While media people may gripe about the difference in wages, most aren't surprised.

"It has been that way historically," says Fred Wray, senior VP-media director at Foote, Cone & Belding, Chicago. "The media department has been viewed as a specialized function in the shop, a department which tells clients where to spend their money."

"Many ad agencies view the media department [as] least visible because it doesn't win or keep businesses, nor is it involved with marketing and creative issues," says O'Hare President Kurt O'Hare.

Will that continue?

"The top dollars will always go to the most talented and visible players because of the nature of the business, and right now that is the creative and account services department. But the future indicates that might change," says Saul Cohen, senior VP-director of programming and media management at Slater Hanft Martin, New York.

Some executives say media salaries are starting to shift, albeit marginally, as the ad industry becomes more media-oriented.

Then there's technology. Page Thompson, VP-media director at DDB Needham Worldwide, New York, says earnings are up because "the benefits of technology are now clicking into the departments.

"There is less support staff, people are well-versed on personal computers and there is more communication between offices," he says. "Now we have some functions centered in one city instead of several people . . . in different places."

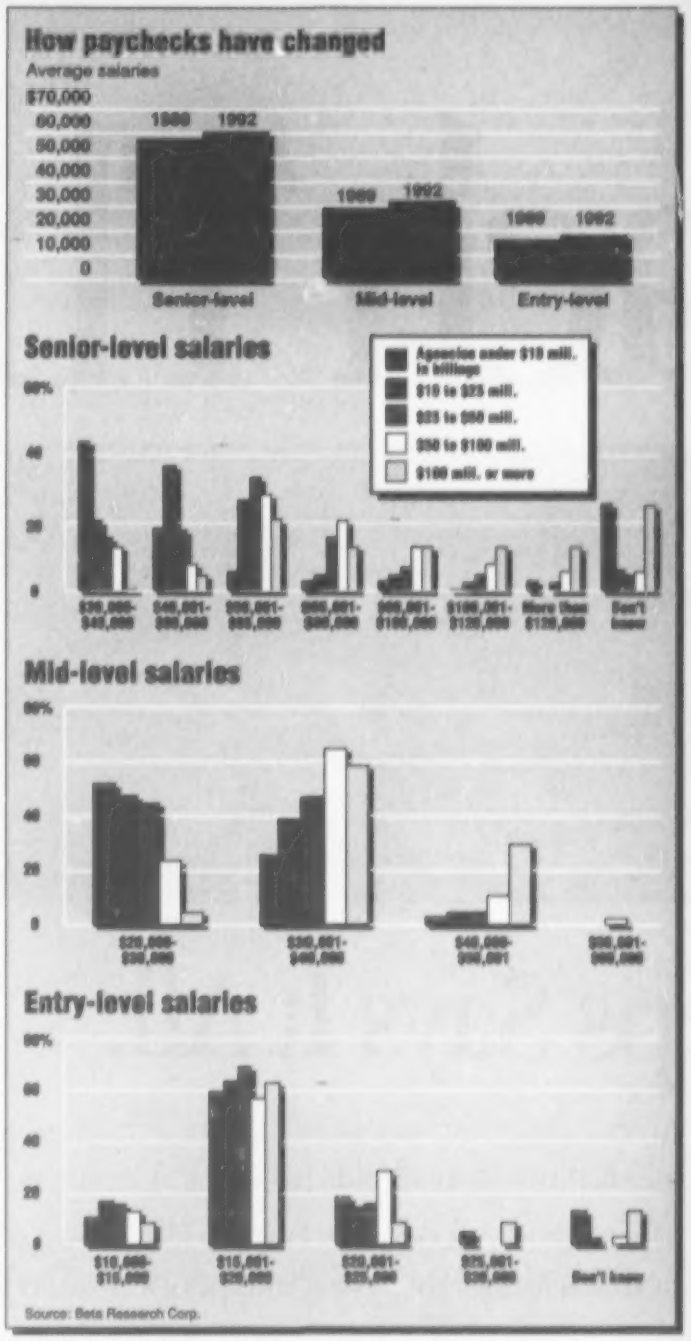
Mr. Thompson, like others, believes media people are becoming more valuable to agencies because advertisers want to know where their money is being spent now more than ever. Media departments, he says, are able to account for those dollars.

But for now, salaries are still something to gripe about. The *Ad Age*/Beta survey found raises have barely kept up with the cost of living each year since 1989.

And some people aren't waiting around for the tide to shift more dramatically.

Mr. O'Hare says agency media departments are in danger of losing young talent because of the rift in salaries among different units.

Out of frustration with their salaries, he says, many junior and middle-level workers leave the business or shift to account services. □



IF YOU THOUGHT THE TRIBUNE WAS AHEAD OF THE TIMES IN TAMPA BAY . . .

You're more than 20 years behind.

In 1971, the Audit Bureau of Circulations reported that the St. Petersburg Times had squeaked by The Tampa Tribune for the first time to become the largest circulation newspaper in Tampa Bay.

We've never looked back. Since then, the Times has more than doubled its circulation — to 390,040 daily and 497,306 Sunday — while the Tribune has grown, but not as fast.

The numbers show that Tampa Bay keeps up with the Times. In fact, the St. Petersburg Times now leads The Tampa Tribune by more than 74,000 daily and nearly 88,000 on Sunday.*

St. Petersburg Times
Earth Summit closes with high hopes
Older homeowners can reap rewards of reverse mortgages
Bulls win second straight NBA title
Dreams take a pounding but won't go away

So think again before you fall back on the Tampa Bay newspaper with "Tampa" in its name. To get ahead, call the Times at 1-800-333-7505, ext. 8249 and get the latest information on the thriving Tampa Bay market and the newspaper that serves it best.

*ABC Fas-Fax for 3 months ending 3/31/92

St. Petersburg Times
Tampa Bay's Largest Newspaper

Many media plans becoming more of a local attraction

Two-thirds of survey respondents say clients have gotten more targeted in last three years

By Jenu Bryan Kim

Think globally; act locally is an environmental phrase that also could describe the new direction media buying is taking.

Buyers of media are increasing their emphasis on local ad purchases.

According to the *Advertising Age*/Beta Research Corp. survey of media directors, 66.2% of the respondents said their clients' media plans are more localized now than they were three years ago.

"More clients are recognizing it's very important to be visible in key local markets," says Jane Twyon, exec VP-media director, Lowe & Partners, New York.

> "I don't see a significant shift to localization. I see the recognition to be smarter."

Reasons for the shift to localization mainly concern the clients' needs to present a specific ad message, says Bob Giacomino, senior VP-media manager, Grey Advertising, New York. As examples he cites those promoting pricing or regional tastes and targeting minorities or local competition.

In addition, smaller ad budgets have "dictated a concentration of ads in key business areas," Mr. Giacomino says.

Still, he notes, while he's seen more attention paid to local advertising, it doesn't point to "a mass trend away from the base of national support."

Though many buyers report increased interest in local buys, they have different opinions on which local media work best.

According to the *Ad Age* survey, agency buyers reporting more localized media purchases said their clients are now most interested in local cable TV usage. About two-thirds (67.7%) of those reporting localized buying said they're using more spot cable.

David Drake, senior VP-associate director of the media department at DDB Needham Worldwide, Chicago, notes that spot cable fits nicely with the current trend toward micromarketing.

Instead of basing media buys on about 210 designated market areas, "you now have a whole different set of TV viewing areas" with local cable, he says.

Ms. Twyon, however, says local cable isn't an economical choice if a client wants to hit more than a handful of markets.

"If you have a client who's only in two or three markets, then they should only be in local cable. But you don't have to get much beyond that before you can buy national cable for less money than you could buy it locally," she says.

Other most-often-named local media choices in the survey include regional editions of national magazines (named by 51.1%), broadcast spot TV (50.4%) and spot radio (46.9%).

Buyers like spot radio not only because it's got a low out-of-pocket cost but also because it's easy to change the creative. The medium appears to do the best job in offering extra value to advertisers, they add.

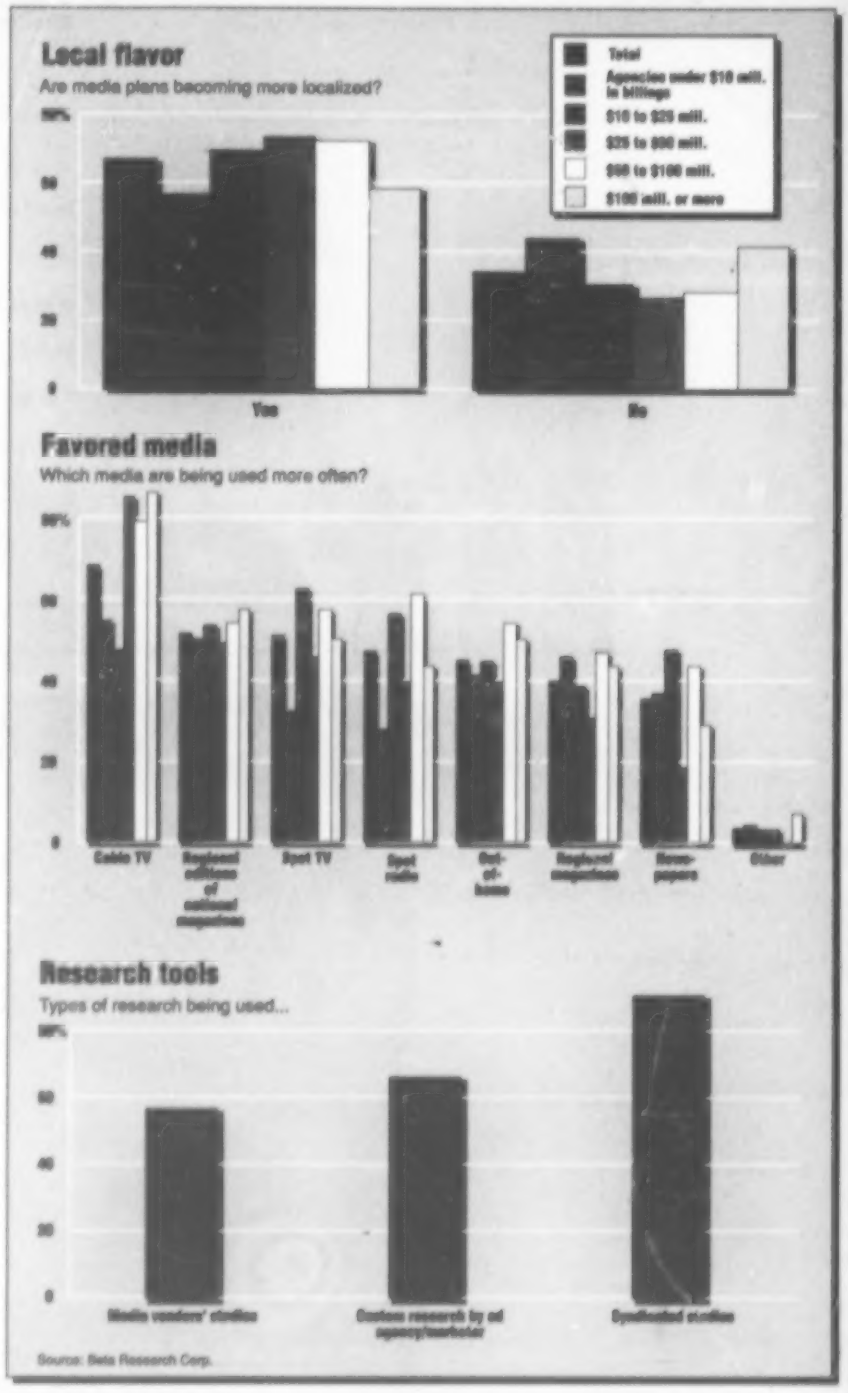
"We're looking at media to see what they offer in extra value . . . but radio's been doing it for decades," Mr. Giacomino says.

Buyers generally agree this current trend to localization isn't temporary. But they disagree over the extent of the trend.

Although Mr. Giacomino says the trend is permanent, "I don't see a significant shift to localization," he notes. "I see the recognition to be smarter in the things we already do locally."

Ms. Twyon, though, says the trend to localization is part of "the diversification of media dollars" into different advertising opportunities, including non-traditional media.

"Clients have realized consumers get messages in different places," she says. "There are more opportunities for us to look at." □



THE ONE SOLUTION ACROSS EVERY COMPUTER PLATFORM.

From supercomputers to mainframes to minis to workstations to PCs to laptops and notebooks, SPECTRUM delivers half a million engineering/scientific professionals. Four out of five subscribers* use computers at work. Three out of five say what to buy. When it comes to selling computers, technically speaking, SPECTRUM is the marketplace. For more about SPECTRUM, call Bill Saunders, (212) 705-7676.

TECHNICALLY SPEAKING, SPECTRUM IS THE MARKETPLACE.

SPECIAL SUPERCOMPUTERS ISSUE
IEEE SPECTRUM
THE HIGH-TECH MARKETING TOOL™
COMING IN SEPTEMBER!

What morale problems?

(Continued from Page S-14)

ings, it pays our salaries," Mr. Silverman says. "His perspective helps with morale. At other agencies, media's function is only where will we place it and how much is it going to cost."

A media supervisor at one major New York agency says there are special awards for innovation in his department, and groups often get together for dinner after a long weekend of work.

"Things like that are really appreciated," he says. "It's the small gestures that go a long way."

Summer hours give media people another reason to appreciate their jobs.

At Campbell-Mithun-Esty, Minneapolis, all staffers get three extra vacation days in the summer, and that helps with morale, says Maureen Connery, spot broadcast supervisor.

In addition, the media department has its own Christmas party each year and gets together to celebrate birthdays.

Comradery was mentioned by virtually every person interviewed.

"Our group director builds a family feeling," says Peter Monkewicz, a media planner at Foote, Cone & Belding, Chicago. "We just had a Tombstone pizza party; we do athletic things together, like softball. It's a good way to get out and relieve the tension of work."

Ms. Connery says the agency's use of a buyer's worksheet system helps keep spirits up.

The system makes it more efficient to write up buys and pull numbers, she says. "It enables you to do a lot more work without feeling like you have a lot more stress or paperwork."

> "It's the small gestures that go a long way."

At other shops, however, staff cutbacks have left remaining employees swimming in paperwork.

"I'm doing more clerical things than I've ever done," says a planner at a midsize agency on the West Coast. "That's sort of discouraging. But it's a lot less discouraging than not having a job."

Some media people feel that smaller staffs give them greater access to supervisors and clients.

"You get to do things soup to nuts," says one media planner. "If you're responsible for the majority of the work, as much as possible they let you go to client meetings" and help defend the proposal being put forth.

Still, the buyers and planners are realistic about the future.

"More than that people are working harder, it's taking people longer to get promoted," one planner says. "People ahead of you ain't leaving, and the business just isn't growing at the same rate of a few years ago."

One media planner with a major New York agency says apathy is a big problem.

"Sure, people are happy to have a job, but that's not really saying 'I love my job,' " the planner says. "It's impossible to find a job—it takes a long time, and it's discouraging."

The industry in general and media departments specifically were much more upbeat when this planner started work three years ago.

"A lot of people I know are leaving to do other things, primarily because the pay is so low and people are feeling overworked and underpaid," she says.

"Everyone still has a gloom-and-doom attitude," says the supervisor who believes morale is in bad shape. "No one's really going to believe the economy's getting better until they see it." □

Directors

(Continued from Page S-6)

can't do that anymore.

"You have to speak Perdue's language to Perdue and Ralston's language to Ralston."

While new directors represent the future of media departments, some agencies may not be ready yet for a dose of radical new thinking. That fact was underscored by the short reign of Steve Farella as media director of Young & Rubicam.

Mr. Farella joined Y&R in July 1991 from the same post at Wells Rich Greene BDDP. He departed the agency unexpectedly last April, having failed in his attempts to turn around one of the industry's big, gray battleships.

Industry insiders say Mr. Farella was frustrated by a lack of support from agency managers, who didn't back him on key changes he proposed for the media department.

No successor has been named at Y&R, although Beth Rockwood, director of media planning for the agency, is considered by some observers the strongest internal candidate.

"You're seeing a whole new breed and a whole new generation of media people taking over departments all over the country," says David Verklin, corporate media director at Hal Riney & Partners, San Francisco. "The torch is being passed." □

Jurmain emphasizes flexibility

Alan Jurmain believes company loyalty is a thing of the past. Today's agency employees, he says, are more motivated by management than by the agency itself.

Jurmain

As a result, he believes media directors have to be more flexible and more involved with their departments on a daily basis.

"It used to be you built a senior team to deal with clients and you could be some kind of thought leader on the outside looking in," says Mr. Jurmain, Scali, McCabe, Sloves' 36-year-old exec VP-media director.

He has been in his current post for five years; before that, he was a group media director with Lintas:USA. □

Nerds need not apply, Lotito says

The media "nerd" is a thing of the past, says Michael Lotito, exec VP-director of media services at Ammirati & Puris.

The thirtysomething Mr. Lotito tries to hammer home his belief that today's media professionals need to be advertising generalists. He encourages all staffers to contribute ideas relating to any portion of a client's business.

Lotito

"At Ammirati, we have very much a philosophy of no second-class citizens. We keep our media people much more involved in the process every step of the way," he says.

Mr. Lotito started in the media department of McCann-Erickson before joining Benton & Bowles as network broadcast buying supervisor on General Foods Corp.'s $150 million account. "I love the network business as a result," he says. □

Specialist role important: Rockwood

If Young & Rubicam decides to shop in-house for its next media director, many industry observers believe Beth Rockwood may well get the nod.

The senior VP-director of media planning has been with Y&R's media department for 16 years. She gives her age as "under 40."

Rockwood

She believes media planning "has to be very well integrated into the agency product in general," but she disagrees with peers who say today's media directors have to be advertising generalists.

"It's even more important to be a specialist because media is so much more complicated," she says.

She is a strong believer in training programs for all senior media executives. □

It costs millions to saturate South Florida's airwaves.

Brain waves cost considerably less.

It's not just a question of economy. It's a question of the people you want to reach. Because frequent newspaper readers — who tend to be light TV viewers — are better educated and have more disposable income than heavy TV viewers. Statistically, they're more than twice as likely to be college graduates with $30,000+ personal income*. And in South Florida, the newspapers of choice for upscale readers are The Miami Herald, with a daily circulation 72% higher than that of its nearest competitor†, and El Nuevo Herald, the nation's leading Spanish daily. So you can spend less, yet reach the people who spend more.

For more information on how to reach this affluent and rapidly growing market, call (305) 376-2820.

Represented nationally by NEWSPAPERS FIRST.

*Source: 1991 SRMB's Study of Media & Markets. Heavy consumers defined as top quintile for each medium. †Source: SRDS, June '92

Holt's billion-dollar baby puts spotlight on emergence of independent shops

Despite assurances, agency media execs fear Western could raid rosters

By Joe Mandese

Senior managers at big ad agency media departments took notice when Western International Media reached $1 billion in media billings. Importantly, so did some of their clients.

That milestone, attained last year, meant the independent buying service had arrived, controlling more ad spending than all but a half-dozen U.S. advertising agencies.

Even though Western International's business plan has been primarily to service agency media departments and not their clients, its current clout and visibility represent a potential threat for full-service ad agencies.

According to the *Advertising Age*/Beta Research Corp. survey of media managers, the use of independent media services is on the rise.

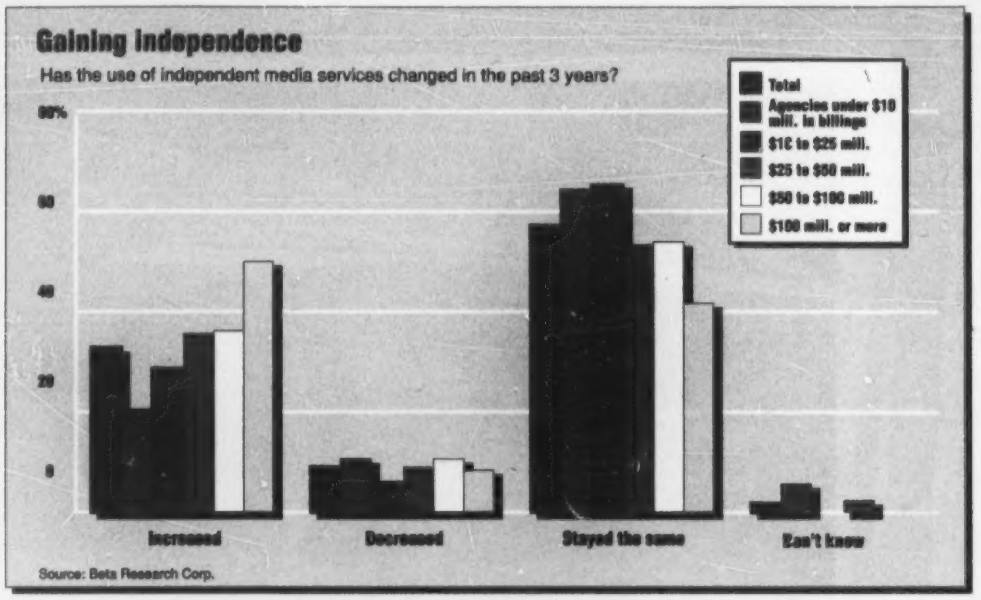
Of the 201 agency media executives surveyed, 22.4% said their clients currently use independent media services for media buying and/or planning. The greatest concentration is among the largest agencies: 54.2% with annual billings of $100 million or more said their clients use independents.

Of those media managers whose clients use independent media services, 32.8% said they increased usage over the past three years, 57.2% said it's the same and only 8.5% said it has decreased.

Those findings correspond with an annual survey conducted by DeWitt Media, which found the number of clients who say they use independents tripled over the past eight years.

Between 1984 and 1992, the percentage of advertisers saying they use independent media services rose to 21% from 7%, according to DeWitt.

Still, "the one that is interesting to watch is Western," says Beth Rockwood, senior VP-director of media planning at Young & Rubicam, New York, though "there are a handful of others that are significant." She adds: "We're talking [Western International President] Dennis Holt here."



For his part, much-watched Mr. Holt says he remains committed to his strategy of servicing, not competing with, agency media departments. Only about 15% of his billings come direct from advertisers, primarily in-house accounts.

But a number of agency media executives are concerned Western might soon target their client rosters.

Mr. Holt reportedly met recently with General Motors Corp. executives to discuss a spot TV buying assignment, and he's said to be pitching for assignments from Quaker Oats Co. and an automobile importer. Neither Mr. Holt nor the marketers would comment.

As agency media executives cautiously eye Western International over their shoulders, several other independents are gaining size—and clout—as well.

According to many insiders, independent SFM Media is a close second behind Western International with more than $700 million in media billings, primarily from direct client assignments.

DeWitt Media, International Communications Group and Media Buying Services all have picked up major media assignments that were previously handled by full-service agencies.

"It's interesting that you have a couple of independents approaching $1 billion," says Hal Katz, president of Katz Marketing & Media. "The independent media-service business has grown into a multibillion-dollar business."

Efficiency is one of the main reasons behind recent shifts to independents. While many agencies offer media service that's as proficient as that of independents, some advertisers rationalize that independents may provide better service because media is their only focus.

Some major marketers also appear to be inclined to consolidate their media buying assignments to maximize clout and strategic control, though some of that business is going to the media departments of large, full-service shops.

> "There are a handful of others that are significant, but the one that is interesting to watch is Western."

MasterCard International, Nynex Corp. and other major advertisers reportedly are reviewing their media services assignments.

"What [the advertisers] are looking for is the best resources they can find. And more and more they don't care if it's not a full-service agency," says Mr. Katz.

In the past three years, several major media assignments have moved to independents from full-service ad agencies, including the $90 million American Isuzu Motors and $90 million Nike accounts (which went to SFM), the $70 million Reebok International account (to DeWitt) and the $50 million Bally account (to Western International).

While the exact amount of business that has moved to buying services isn't known, independent media executives estimate nearly $1 billion in such accounts moved to media services between 1989 and 1991.

"During the recession these past few years, there has been a sharper focus on the bottom line, and a lot of advertisers who might have put off looking at alternatives couldn't afford not to anymore," says SFM President Walter Staab.

"A lot of them [analyzed] how their money is being spent. They've started asking questions and bringing new people in. And one thing leads to another," he says. "In many cases, they're finding out that their agencies are doing a terrific job, but in other cases they've gotten a little uneasy about their situations."

Mr. Staab says marketers are experimenting by assigning one or more brands to independents to see how they perform. "They'll give you one of three brands, just to get a feel for what you can do," he says.

"We have a portion of the Chevron business—the Ortho lawn products line. We don't have the whole account, but it's a pretty sizable percentage that we handle," says Rick Glosser, president of Creative Media, an independent media company billing about $120 million.

Mr. Katz says changes in financial accountability have made advertisers more willing to try smaller media service companies than they had in the past.

"There have been changes in financial accountability with the media, and more clients are paying their bills directly," he says. "As a result, we are seeing a greater increase of smaller media resources, where the clients are looking to buy their talent, not their clout.

"Before, it was always a predominance of 'You have to be big to be good.' That still exists, but it's fading." □

HIRE GOALS.

When you're in search of the best, there can be no compromises. The Forum Personnel Advertising and Marketing Division is committed to uncompromised goals of excellence. Goals higher than most, which help us to provide you with only the most qualified professionals in the business:

• *Advertising* • *Sales Promotion*
• *Account Management* • *Media*
• *Graphic Arts* • *Production* • *Traffic*
• *Marketing* • *Market Research*

For information contact:
Karen Katz, VP/Principal

FORUM
PERSONNEL INC

342 Madison Ave., New York, NY 10017
212-687-4050

For medium-size shops, media is no middlin' thing

Agencies buck trend and are actually hiring buyers, planners

By Melanie Wells

When Harris-Drury-Cohen was up for the $8 million Value\Rent A Car account last year, one of its key selling points was its media department.

Just a year before, the Fort Lauderdale, Fla., agency had beefed up its media department, adding a second media director to service a growing client load.

"Our media department has more than doubled—from three to nine people—in the last three years," says Patrice Blair, co-creative director of Harris Drury.

Many medium-size agencies are finding themselves in the same position as Harris Drury. According to the *Advertising Age*/Beta Research Corp. survey of agency media directors, a surprising 42.2% of respondents from medium-size agencies—with billings between $25 million and $50 million—say they have increased the number of media employees in the last three years. Just over 31% of shops in that size category reported no change in media staff numbers.

For other agencies—both large and small—the hiring situation is more dismal.

More than 62% of agencies with at least $100 million in billings report fewer media employees now than three years ago, as do 51.3% of agencies in the $50 million-to-$100 million category and about 31% of agencies with billings of less than $25 million.

Many media experts attribute the growth at medium-size shops to the reshuffling of accounts from the large shops to regional agencies.

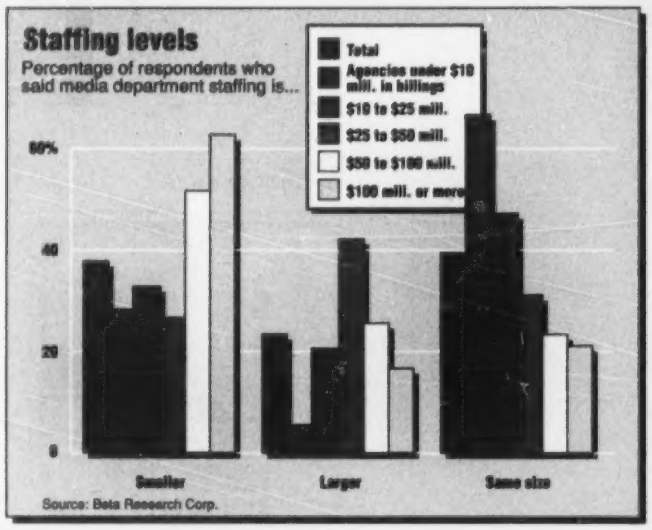
"The smaller agencies that have gotten business from the merger days and crazy days in the advertising industry have been able to staff up and restructure," says Karen Katz, VP-partner at Forum Associates, a New York-based executive placement service. "They and their clients are paying more attention to media issues, so that has been a growth area. Many midsize agencies have grown enough to warrant staff cost."

Others have brought independent media shops in-house.

Mars Advertising, Southfield, Mich., doubled its media department in April when it merged with Media Max, an independent that had been working with Mars on a free-lance basis. Mars, whose billings hover around $40 million, can now boast media services to current and prospective clients, says Marge Taylor-Wehr, VP-co-media director.

Keeping and attracting clients may be one reason medium-size agencies are increasing their media staffs, says Kurt O'Hare, president of O'Hare & Associates, a placement agency.

"Because most agencies that size are creatively driven, growing the media department could be to maintain or protect their profit center and media relationships," he says.



Still, there are plenty of medium-size agencies reeling from client cutbacks. In fact, the *Ad Age* survey found 26.7% of medium-size shops have undergone downsizing in recent years.

Susan Lilley, a principal at Glass & Lilley, a New York-based executive recruiter, says that in major cities media department growth isn't occurring at agencies of any size. Instead, she says, the growth has followed clients to smaller, regional agencies.

For shops like Harris-Drury-Cohen, that kind of shift works just fine. □

Execs on firing line

(Continued from Page S-2)

sions for millions of advertiser dollars.

The perception was slightly exaggerated, say most agency media directors. Nonetheless, most have made a concerted effort to eliminate that perception and ensure clients get hands-on involvement from senior-level media personnel. As a result, most major agency media departments now have a leaner, more vertical structure.

In the traditional pyramid, big agencies often would have a group of planners reporting to groups of media supervisors, who in turn reported to groups of associate media directors, who in turn reported to the department's media director.

"The senior people could never contribute on that in a meaningful way," says Steve Farella, a media consultant who over the past few years has been the media director of Young & Rubicam, Wells Rich Green BDDP and Ammirati & Puris.

"At this point, we have an extremely flat structure," says Beth Rockwood, senior VP-director of media planning at Y&R, New York. "And I think our work quality is dramatically better, because we now have people fully assigned to accounts. There are a few exceptions, but most people now are responsible for about $50 million in billings. In the old structure, it was probably closer to $100 million."

The change is significant, because Y&R previously had a reputation for being among the bigger and more bureaucratic departments.

"If you go back to the extreme—as far as 10 years back—it was pretty much a two-to-one [reporting] ratio all the way down. Every person had two people reporting to them. Now, we may be two-to-one in terms of the group supervisor to supervisor split, but after that, it is all one-to-one. So there is almost no pyramid at this point," explains Ms. Rockwood.

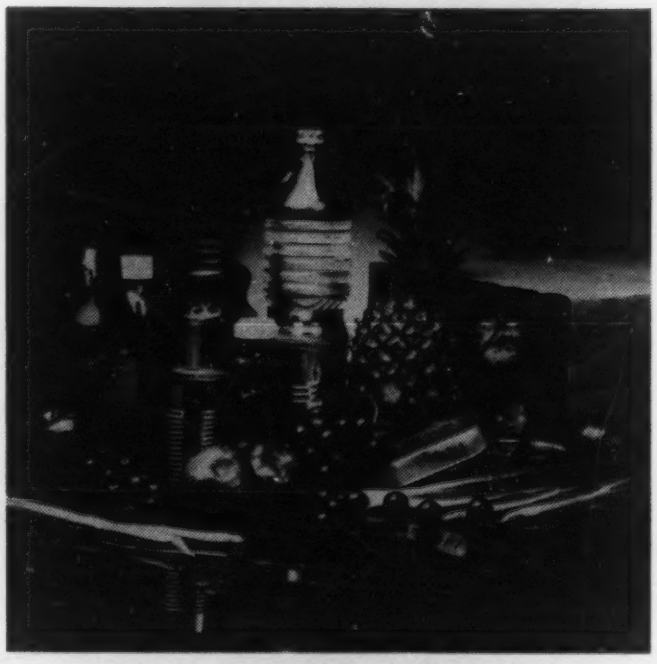
Other major agencies, including Lintas:USA and Grey Advertising, have made similar moves.

While the streamlining has improved communication internally as well as with clients, some say it was necessitated more by economics than strategy.

"To a large degree, the changes have been somewhat cosmetic," says Kurt O'Hare, president of O'Hare & Associates, an executive recruiter specializing in agency media personnel.

"I suspect what we are seeing is a streamlining for efficiency being used as a cover for streamlining due to economics," Mr. O'Hare says. "I think agencies are able to get more quality work per man hour because of computerization, but I don't know of any agency around

THE MOST RELIED UPON SOURCE



LA OPINION
The Leading Spanish Language Daily Newspaper
411 W. FIFTH ST., LOS ANGELES, CA 90013 • (213) 896-2020

Media unit of '90s

(Continued from Page S-2)
ad agencies and a few smaller ones like Ally now actively market media services on an a la carte basis.

Recently, the Advertising Agency Register, a screening service for advertisers reviewing agency services, began a separate Media Register to provide media credentials for full-service ad agencies and independent media service companies.

About a dozen top shops are participating, including N W Ayer, BBDO Worldwide, Backer Spielvogel Bates, D'Arcy Masius Benton & Bowles, DDB Needham, Ogilvy & Mather, Saatchi & Saatchi Advertising, Young & Rubicam, Lintas and JWT.

Many have even created special brand names for their media groups, such as Ayer Media and Saatchi & Saatchi Media Advantage.

"They're not exactly exotic names, but it's a start," says Leslie Winthrop, president of AAR.

She notes that agencies traditionally have handled media-only accounts via agency-of-record assignments. But, she says, the shops have recently stepped up the effort to compete with increased competition from some of the major independent media buying services, including SFM and Western International Media. Those independents have reached parity with some of the biggest agencies' media billings. *(See related story on Page S-28.)*

Others downplay the significance of competition from independent media services and believe the new media-business trend may have been sparked by fundamental Darwinism.

"I think you will see more attempts by people in the media-buying business to increase their volumes so that they can offer the opportunities that come with the critical mass, and offer them in relation to the media, which are growing and consolidating themselves," says Joe Ostrow, exec VP-worldwide media director of Foote, Cone & Belding Communications, New York.

> "They're not exactly exotic names, but it's a start."

Mr. Ostrow says there's a growing sense that the size of an agency's billings may become more important to media departments as the media conglomerates they do business with grow in size and clout.

"It depends on whether there is a growth of volumetrics as a method of pricing. There is evidence to suggest that will become more and more of a factor. As it becomes a factor, critical mass will become more and more important," says Mr. Ostrow, citing the history of several European media markets, in which agencies have been forced to band together into huge buying combines in order to compete.

Others discount the significance of the European model, noting the U.S. media market is far too diffuse for size to become the central issue.

For BJK&E Media President Mike Drexler, the move toward media department unbundling is simply evolutionary.

"Clients really are thinking differently today than they have in the past. What clients really want today is the best thinking they can get in every functional area of their business, including media," says Mr. Drexler.

"As a result, agency media departments can no longer rely on account groups and creative people to carry their banner. They can no longer hide behind the account people and creative people. They have to come out and stand on their own and earn respect in their own right."

But the media department repositionings have their detractors.

"I think media directors are trying their best to maneuver with an organization that was born in the 1960s and 1970s," says Steve Farella, an independent consultant who until recently was media director of Y&R, New York.

"They have not been given the license or the nickels to really refashion the media department for today's marketplace," he says.

So agencies like Bozell have the extra burden of showing that the tide may indeed be changing. □

that doesn't feel like it could use a few more people."

"They have slimmed down, so they don't have the back-up that they used to have," says Beverley Plyer, director of media services at the American Association of Advertising Agencies, which surveys staffing and workloads of its agency members.

Paradoxically, Ms. Plyer says agencies are filling fewer entry-level media jobs, which means more work and longer hours for the rest of the department.

According to the *Ad Age*/Beta survey, 61.7% of media managers say they're working more hours each day than they were three years ago, 24.9% say they're working the same number of hours and only 12.9% say they're working fewer hours.

Meanwhile, their media department subordinates also are working harder: 57.2% of respondents say their media employees are working more hours each day than three years ago, 33.3% about the same and only 9.5% fewer.

"Especially with all the new media technology, agencies are asking their media departments to deal with much more complicated information, but with fewer people," says Mr. O'Hare.

"What's happening is that much of the research capability is moving back to the supplier side. Agencies are saying, 'Solve this problem for us, put it on line, and we'll just access it,' which isn't necessarily in line with their overall philosophy about media."

That trend may be of particular concern not just for clients but for agency management because research historically has been one of the ties that have bound clients to their agencies.

Anheuser-Busch Cos. recently took its media planning in-house, away from its agencies, because the marketer already had assumed much of the media research responsibility for its own brands.

While it's common for advertisers to take media buying in-house or move it to a third party, it's a rare but growing trend for them to take planning away from their brand agencies.

Some people say the small staffing levels at agency media departments could become critical.

Karl Kotheimer, exec VP-director of media and marketing services at Della Femina, McNamee's media unit, says his media planning staff is down to 10 people.

"I've completely gotten rid of all of my more esoteric responsibilities. I'm totally on media now," he says.

"It's more than just having senior people supervising the work of the planners," says Ms. Rockwood. "The senior people are really contributing to the product, whereas five years ago, the feeling was probably that the senior level job was a supervisory job. Now it's really a completely involved hands-on position." □

Tampa Bay's winning numbers.

345,600
Daily readers between the ages of 25-54
108,500
Daily readers employed with $50,000+ household income
428,400
Sunday readers between the ages of 25-54
128,200
Sunday readers employed with $50,000+ household income

In Florida, the Tampa Bay market ranks first in population, households, retail and food store sales and the advertising vehicle that's number one in reaching adults in prime buying ages and incomes is The Tampa Tribune.

Tampa Bay's next closest newspaper comes up short in all of these categories every day of the week. Which is why, as far as advertisers are concerned, nothing beats The Tampa Tribune.

To advertise, call Joe Gess, General Advertising Manager at (813) 272-7447. Represented nationally by Sawyer Ferguson Walker, Co.

The Tampa Tribune

Media General

Sources: 1991 Scarborough Study, S & M M 1991 Survey of Buying Power

While papers say prices firm, change on horizon

If buyers 'probe a bit, newspapers are more receptive to creative packages'

By Christy Fisher

Newspapers can again claim to be the least willing of all media to negotiate on price, though ad agency executives say change may be in the offing.

The *Advertising Age*/Beta Research Corp. poll of media managers found newspapers least willing of all media to break the rate card, fetching 57.4% of all votes.

But media buyers say newspapers have undergone a dramatic attitudinal change in recent months and are becoming more willing to work with advertisers and agencies.

"When you look at the surface, newspapers are the least willing to negotiate in terms of breaking the rate card, that's true," says Bob Zach, senior VP-media director of Chiat/Day/Mojo, New York. "But if you probe a bit, newspapers are more receptive to creative packages."

Newspapers won't break rate for a single insertion ad, but will deal on multiple placements and will consider creative use or placement of ads, Mr. Zach says.

The New York Times, for example, spent months reworking its production processes so it could make available a special ad position called a "spadia" to Paramount Communications Corp. for the 1991 releases of the movies "Regarding Henry" and "Dead Again." (A spadia looks much like a gatefold, but is done inside the paper.)

It proved to be so successful that other advertisers have used it this year, including Carnegie Hall, Delta Air Lines, New York City Opera and Saks Fifth Avenue.

The *Times* also in the last year has made available to advertisers showcase ad positions adjacent to news coverage of prominent sports events.

Shearson Lehman Bros. in September 1991 bought an ad package tied to the Ryder Cup golf tournament; Citibank bought a 17-week schedule tied to Monday coverage of the National Football League, the playoffs and the Super Bowl; and Bristol-Myers Squibb Co.'s Nuprin bought into coverage of the New York City Marathon, Super Bowl and tennis' U.S. Open.

"The gospel of customer service is being spread to all business departments at the *Times,*" says William Adler, corporate relations manager at The New York Times Co. "Instead of 'that sounds impossible' or 'it can't be done,' the first response to advertisers now is 'we'll get back to you' and then see if it can be done."

Newspapers also have become more creative with their rate cards, says Charlie Rutman, exec VP-media manager at Backer Spielvogel Bates.

Although national rates remain much higher than local rates, some newspapers have been offering the lower rate for a slight modification, such as a national ad referring to a local dealer or retailer.

"Newspapers are more flexible . . . than they have been in the past . . . We're beginning to see more moderate positions," Mr. Rutman says. "It's a good sign that the whole business is moving that way."

But newspapers still have a long way to go to win national advertising.

National ads make up only 13% of newspaper ad revenues, compared with 52% for retail and 35% for classified, according to the Newspaper Association of America.

The gap between national and local rates must narrow, media buyers say. Also, newspapers need to be an easier medium for national advertisers to buy.

An American Association of Advertising Agencies study of 1,060 newspapers found a national advertiser would pay 75% more than a local retailer for 1,000 inches of newspaper advertising—and 95% more for dailies with circulations of more than 250,000.

That 75% differential is up 13 points from a similar 1989 Four A's study and marked the largest national/local rate differential since the Four A's began tracking those numbers in 1933.

Though the rate differential exists, the newspaper industry called the study flawed because special category rates weren't measured.

The national/local rate differential has been discussed for decades with little action, says Ann Parr, media supervisor at Leo Burnett USA. Newspapers have created special incentive rates to attract certain categories of advertisers, but these aren't enough.

"If they'd open up [the special rates] to all categories of national advertising," then newspapers might become successful, she says.

Newspapers, with their different rate cards and separate billing practices, also must become easier for national advertisers to buy. Media buyers would like to see a one-order/one-bill system that would include a network discount for multimarket buys.

"Newspapers simply are not a friendly medium to buy," says Mr. Rutman. "There's got to be a simpler, easier way to buy newspapers."

NAA has made one-order/one-bill a priority, says Len Forman, its chief operating officer.

Originally, the newspaper industry considered creating a computerized media planning, ordering and billing system that would include all newspaper rates. But now NAA is looking at creating a system similar to the FTD/Florists' Transworld Delivery Association buying service, Mr. Forman says.

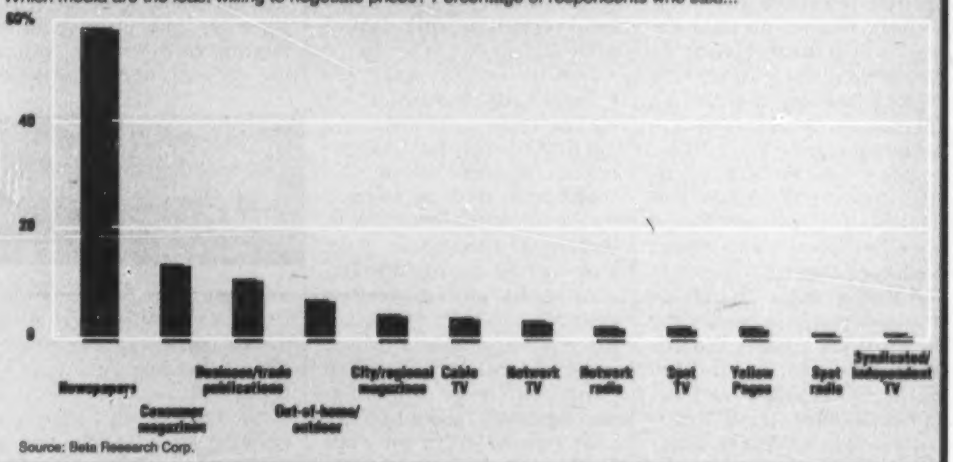
Newspapers would make a limited number of ad sizes and positions available at a set network price.

"There's no question we're being more responsive to customers," Mr. Forman says.

"Much of what we're doing as an industry is to make newspapers easier to deal with and remove obstacles," he adds. □

Newspapers—slow out of the box or steadfast?

Which media are the least willing to negotiate prices? Percentage of respondents who said...



Source: Beta Research Corp.

THE MOST RELIED UPON SOURCE

LA OPINION
The Leading Spanish Language Daily Newspaper
411 W. FIFTH ST., LOS ANGELES, CA 90013 • (213) 896-2020

Zooming in

(Continued from Page S-18)

buys space on "Full House" and "Family Matters," she says.

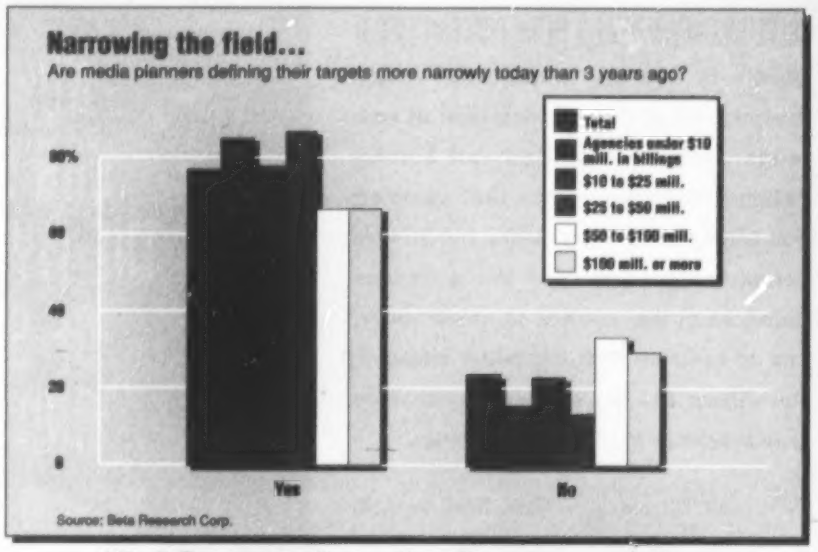
While media fragmentation has paralleled the rise of more precise targeting, so has the economy. "Narrowcasting may be a response to the tightening of the economy. The focus is on the highest potential of return," says Randy Novick, senior VP-media director, AC&R.

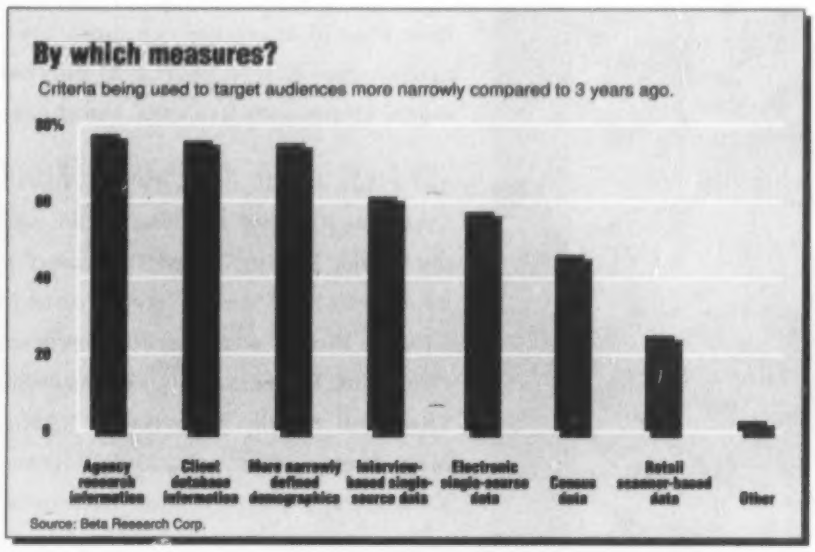
"Budgets from clients are under pressure; we can't afford waste. There is an emphasis on accountability and return on investment," Mr. Giacomino says.

But there are limits to how tightly audiences can be targeted. "Strategically and philosophically, we all think we should be targeting tighter and tighter, but numerically it is not all that possible. There are demographic realities—Nielsen goes up to $60,000 for household income and we want to go to $90,000 or $100,000," says Michael Lotito, exec VP-director of media services, Ammirati & Puris.

"If you do it too narrowly you concentrate on too tiny a segment and lose on volume . . . Even if you could target that precisely with media, one can't generate enough volume to sustain a brand," says John Gray, senior VP-media director, J. Walter Thompson USA.

Narrow targeting comes with a price, too. "When media is targeted that precise, there is a high cost-per-thousand premium. Media, the more narrow and targeted it is, the less cost-efficient it is," Mr. Gray says. □





'Lifestyle information gives the soul of person'

More refined data offer powerful edge to shops

By Laura Loro

Media planners are relying most often on syndicated and in-house research to develop narrowly targeted media plans.

In the *Advertising Age*/Beta Research Corp. survey, 76.6% of respondents said they use more agency research information, mostly from syndicated sources, than they did three years ago.

At the same time, 74.7% said the criteria used to target audiences narrowly included client database information; 74% said more narrowly defined demographics; and 60.4% said interview-based single-source data.

"There is much more information available to us now. We have the availability of more refined information to look at [audiences] in targeted ways. And we have increased computerization to manage and analyze information," says Bob Giacomino, senior VP-media manager at Grey Advertising.

In the past, agencies may have used simple demographics. "But that's a skeleton rather than a whole person. Lifestyle information gives us a new dimension, the soul of the person. The research is getting better," says Carolyn Libby, exec VP-executive media director, Lintas: Worldwide.

Agency research information includes syndicated research from outside sources more than in-house research, which some shops have trimmed.

But Grey Advertising is bucking that trend. The agency, which does consumer-based attitudinal research and custom research for clients, is doing as much or more in-house research compared to previous years. "We can use that to develop appropriate strategic creative and plan media work," says Barbara Feigin, exec VP-strategic services group.

> "That information has been a big boon to us. It has given us a caseload upon which to build."

AC&R recently did some in-house proprietary research for client Aruba Tourism Authority to find out if vacationers' experience in Aruba mirrored the TV spots, says Randy Novick, senior VP-media director, AC&R.

Client database information also is growing as a significant research tool in targeting consumers.

"Clients were not nearly as good at capturing information as they are today, and that information has been a big boon to us. It has given us a caseload of information upon which to build," says Michael Lotito, exec VP-director of media services, Ammirati & Puris.

Mr. Giacomino says that now all businesses are becoming more retail in nature, which means sales information for products by certain markets is available almost immediately. "They have that data in their systems and incorporate that information in their strategic plans," he says. □

THE MOST RELIED UPON SOURCE

LA OPINION
The Leading Spanish Language Daily Newspaper
411 W. FIFTH ST., LOS ANGELES, CA 90013 • (213) 896-2020

JUNE AD RESULTS

Publishers heartened by 6.7% June ad page gain

By Scott Donaton

Consumer magazines in June showed the strongest signs yet of emerging from the ad slump, but they're still a sobering distance from pre-recession levels.

June ad pages totaled 13,835.6, up 6.7% from the same month last year, according to Publishers Information Bureau. For the first half of the year, pages totaled 78,614.5, a 1.6% gain.

MEDIA WORKS

Still, the first-half figure is down 8% from the same period in 1990, when PIB-tracked magazines carried 85,425 ad pages. The first half of last year was one of the weakest periods of the current slump, due to the combined effects of the recession and Persian Gulf War.

"As the third consecutive monthly increase, [the June gain] suggests a trend," said James Guthrie, exec VP-marketing development at the Magazine Publishers of America. "But we're still up against double-digit declines from a year ago."

He said the June gain was the highest monthly page increase since February 1988.

Others were less upbeat about the first-half results.

Valerie Muller, exec VP-media director at DeWitt Media, New York, described the magazine industry outlook as "bleak.

"I get a sense that people are being really cautious," she said. "Clients still are not planning half-years at a time or even quarters. And first half '91 was abysmal."

Ad revenues rose 13.3% in June to $617.7 million, and were up 6.8% for the first half to $3.35 billion. The 10 largest ad categories, as ranked by revenues, posted a 2.7% increase in pages in the first half, with 54,097.6. The showing was primarily the result of strong increases from the automotive, business/consumer services, computers/office equipment and drugs categories *(see chart)*.

The PIB field was split fairly evenly between magazines having a good year and those that have yet to escape the recession's pinch. Of the 175 magazines tracked by PIB, 90 were up in pages through June while 84 were down. One, the personal finance magazine *Worth*, is a newcomer to PIB.

Perennial leader *Business Week* finished on top for the first half with 1,767.6 pages, up 11.1%. Its every-other-weekly rivals had mixed results. *Forbes'* 1,541.4 pages were up 6.4%, while *Fortune* fell 4% to 1,177.9 pages.

Time was the only major newsweekly on the down side, despite a dramatic redesign unveiled during the first half. Its 1,010.6 pages fell 1.4%. *Newsweek*, with 991.3 pages, was up 9%. *U.S. News & World Report* was a close third with 958.7 pages, a 10.7% gain.

Weeklies seem to be benefiting the most to date from the rebound, and monthlies—particularly those aimed at upscale audiences—continue to register some of the most severe declines.

American Heritage, Art & Antiques, Bicycling, Discover, Elle, GQ, Golf Illustrated, Harper's Bazaar, HG, Ladies' Home Journal, Mademoiselle, Metropolitan Home, Playboy, Town & Country, Travel & Leisure and a handful of other monthlies all posted double-digit page drops in the first half.

But publishers of some of those titles said there are stronger signs of recovery in the third quarter.

"Business is getting better," said *GQ* Publisher Michael Clinton, who noted the August and September issues were both up from last year. "The fashion retail business is really starting to come back." □

Top 10 magazine ad categories by revenue

Category	1992 revenue	% chg	1992 pages	% chg
Automotive*	$520,723,792	17.03	9,098.6	16.38
Toiletries	$328,110,887	0.05	6,465.1	−6.55
Direct response cos.	$297,250,742	7.09	9,197.7	0.02
Business & consumer svcs.	$231,557,257	19.58	6,215.4	16.51
Food	$220,680,171	−0.16	3,147.9	−12.08
Apparel**	$207,861,390	11.56	6,819.8	−1.08
Travel, hotels & resorts	$193,833,328	1.14	5,933.2	−2.91
Computers & office equip.	$161,872,326	23.29	3,124.4	12.49
Drugs	$122,105,464	34.74	2,241.0	21.17
Cigarettes & tobacco	$111,301,053	−18.23	1,854.6	−15.29

Revenue and page figures are from January-June 1992. *Includes accessories and equipment. **Includes footwear and accessories. Source: Publishers Information Bureau

Magazine ad page leaders

Publishers Information Bureau figures for January through June 1992.

Rank	Magazine	Pages	% chg	Dollars	% chg
1	Business Week	1,767.65	11.1	102,972,534	7.8
2	Bride's & Your New Home	1,660.65	−2.0	32,041,190	0.8
3	Forbes	1,541.42	6.4	71,417,361	10.0
4	The Economist	1,445.85	27.0	16,141,887	49.8
5	People	1,435.17	−3.5	159,653,881	3.3
6	Modern Bride	1,389.50	−3.5	24,486,690	8.0
7	Vogue	1,186.73	−0.7	50,523,476	3.9
8	Fortune	1,177.90	−4.0	63,070,309	−2.6
9	TV Guide	1,168.05	−0.4	129,879,244	−6.1
10	Sports Illustrated	1,100.48	4.3	154,334,025	6.7
11	New York Magazine	1,066.94	−1.3	18,908,734	0.9
12	Entrepreneur	1,056.76	4.7	13,471,486	22.5
13	Golf World	1,030.84	15.3	9,660,347	21.9
14	Time	1,010.57	−1.4	165,381,596	7.0
15	Newsweek	991.31	9.0	120,339,567	10.5
16	U.S. News & World Report	958.71	10.7	86,926,625	16.8
17	Cosmopolitan	951.63	−6.0	65,929,844	2.1
18	Bridal Guide	867.92	21.9	8,660,208	70.6
19	The New Yorker	828.22	1.8	23,887,574	5.2
20	American Way	823.35	14.9	12,240,862	14.1
21	Good Housekeeping	815.30	5.0	90,436,679	12.2
22	Family Circle	814.31	9.8	75,596,405	17.9
23	Golf Digest	786.07	17.4	46,208,858	18.4
24	Glamour	778.67	−5.9	45,777,556	2.4
25	Yachting	746.89	6.1	5,205,813	11.5
26	Rolling Stone	744.13	−2.1	32,203,056	5.7
27	Muscle & Fitness	717.57	0.2	13,667,814	4.3
28	Woman's Day	715.84	22.4	58,560,130	30.0
29	Elle	695.74	−12.1	24,971,121	−5.3
30	Parents	690.22	3.0	32,389,813	7.9
31	Skin Diver	688.11	−7.6	7,452,364	−1.8
32	Better Homes & Gardens	667.03	4.8	87,199,936	11.4
33	Southern Living	664.88	10.8	38,045,788	18.8
34	Golf Magazine	660.83	5.3	26,510,662	14.2
35	Sunset	656.37	−13.8	24,866,999	9.1
36	Ladies' Home Journal	656.07	−11.7	54,008,590	−5.7
37	Texas Monthly	654.38	−1.1	8,204,728	8.0
38	Popular Photography	649.75	3.3	16,424,242	11.6
39	Vanity Fair	630.83	8.0	26,775,360	28.1
40	Money	614.15	5.4	43,643,065	9.4
41	Car & Driver	612.43	−3.3	26,577,311	3.4
42	GQ	611.40	−13.4	19,279,895	−0.6
43	Travel & Leisure	601.34	−13.3	27,776,490	−4.6
44	Architectural Digest	589.81	−4.1	16,780,604	−2.3
45	Black Enterprise	580.73	11.5	9,267,025	20.3
46	Road & Track	563.05	6.3	18,154,123	13.8
47	Mademoiselle	562.03	−12.1	21,884,923	−1.5
48	Inc.	553.72	24.1	24,274,517	19.3
49	Financial World	553.56	61.0	14,259,976	74.3
50	Parenting	547.91	31.5	15,194,322	53.4
51	Redbook	535.97	0.6	32,997,929	−7.0
52	Gourmet	525.08	−7.6	16,329,331	−4.2
53	Jet	517.46	−0.8	9,359,858	1.5
54	Country Living	517.09	9.6	24,634,462	15.2
55	McCall's	515.97	5.5	40,728,818	4.3
56	Salt Water Sportsman	515.51	−3.4	3,600,411	−7.8
57	Bicycling	503.57	−11.8	9,049,417	4.7
58	Outside Magazine	501.08	15.9	11,833,432	37.2
59	Conde Nast Traveler	487.56	6.0	15,197,710	10.7
60	W Magazine	477.63	−2.3	13,028,570	8.6
61	Entertainment Weekly	473.99	16.0	14,905,622	53.7
62	Self	457.29	−1.8	19,167,405	−0.4
63	Delta Sky	454.24	17.2	14,041,201	26.4
64	Reader's Digest	451.48	−1.3	57,412,610	15.0
65	Ebony	448.00	−7.3	17,516,855	−5.9
66	San Francisco Focus	440.19	7.9	3,170,578	11.4
67	Seventeen	434.20	−8.5	15,179,620	−9.3
68	Automobile Magazine	425.34	8.5	11,179,064	8.6
69	Bon Appetit	424.61	−5.2	15,088,429	4.9
70	Parade*	422.69	13.8	227,839,680	18.5
71	Four Wheeler	418.84	−9.5	3,448,028	−18.9
72	Esquire	414.28	5.0	14,911,202	14.9
73	Essence	411.73	11.7	13,146,165	27.3
74	Bassmaster	404.34	1.6	8,726,142	4.8
75	Shape Magazine	399.69	21.6	7,326,318	27.1
76	Motor Trend	394.61	−11.9	16,326,712	−3.6
77	Harper's Bazaar	386.48	−25.8	11,765,765	−22.7
78	Tennis	386.19	9.4	14,107,039	14.5
79	USA Weekend*	384.96	16.2	86,552,298	32.8
80	Smithsonian	378.44	−11.1	18,447,073	−3.0
81	Compute	378.16	−11.0	3,345,957	−11.3
82	Popular Science	377.84	2.7	13,619,856	21.7
83	House Beautiful	375.42	7.4	15,835,500	7.7
84	Metropolitan Home	369.05	−10.1	13,933,325	−6.5
85	Mirabella	367.49	−18.8	10,838,235	15.5
86	Field & Stream	367.07	−7.1	16,746,858	−9.6
87	Penthouse	364.96	3.1	14,467,931	−0.7
88	Sports Afield	363.83	−6.7	7,995,393	−0.1
89	Child	362.90	29.8	7,279,552	40.0
90	New Woman	362.11	−2.4	10,035,866	−3.3
91	Popular Mechanics	358.57	−1.2	14,480,611	11.4
92	Kiplinger's Personal Finance	355.71	23.7	10,617,700	30.4
93	Omni	355.13	5.1	9,646,907	4.8
94	HG	353.89	−20.5	10,847,023	−11.2
95	Hot Rod	350.14	−11.0	9,448,883	−3.4
96	Northwest Air World Traveler	349.86	44.6	6,951,728	12.3
97	Working Woman	348.28	−16.1	12,340,050	−10.3
98	Atlantic	340.10	12.6	6,969,587	27.3
99	Outdoor Life	334.68	−14.4	11,851,261	−9.3
100	Premiere	327.75	−2.1	7,141,674	5.7

Percent change compares January-June in 1992 with 1991. *National Sunday magazine, tracked separately by PIB. Source: Publishers Information Bureau

MEDIA MIX

News briefs on print, electronic and alternative media.

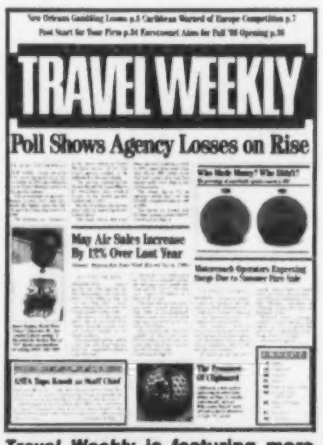
GM backs summer series. General Motors Corp. has committed an estimated $150,000 per episode toward production costs and licensing fees of CBS' eight-episode prime-time summer series "Bodies of Evidence." In exchange, GM got discounts on commercial placements in the series.

Chrysler drives Olympic trilogy. Chrysler Corp. will sponsor an Olympic-theme home video trilogy produced by *Sports Illustrated* as part of a promotional program with the magazine. Each tape will include a corporate spot via Bozell, New York. Chrysler's Service & Parts Division will also run ads in September issues of *SI, Time* and *People*. Ross Roy Advertising, Bloomfield Hills, Mich., handles that division.

Pols say "Cable me." Political ad buys on cable are growing slowly but surely. Cable Networks Inc. reported national spot cable buys so far this year have topped the $1 million mark, the first time that's happened in an election year. The New York-based spot cable rep company credits cable's ability to target and its relatively low cost.

Bo knows shows. Bo Jackson is appearing in a series of CBS network promotion spots. In the commercials, the injured athlete and Nike pitchman comments on CBS entertainment programming. The campaign was created by Nike agency Wieden & Kennedy, Portland, Ore.

Green paper. Newspapers with circulations of more than 200,000 would be required to meet minimum recycled-content limits under an amendment to an environmental bill pending in Congress. The proposal would mandate that 35% of newsprint be made from recycled content by Jan. 1, 1995, and 50% by Jan. 1, 2002. The Newspaper Association of America opposes the requirement.


TRAVEL WEEKLY

Poll Shows Agency Losses on Rise

May Air Sales Increase By 15% Over Last Year

Travel Weekly is featuring more color and bolder graphics.

USA Network leads cable. USA Network, the top-rated basic cable network during the first quarter of 1992, is also No. 1 for the second quarter. USA averaged a 2.1 rating, or 1.24 million households, in prime time from March 30 through June 28, according to preliminary Nielsen Homevideo Index figures. That's a 17% increase in ratings from the same time a year ago, when USA ranked second in prime time to Turner Network Television. This year, WTBS and TNT each averaged a 2 rating, with WTBS reaching slightly more households, 1.17 million vs. 1.13 million.

Old look takes a hike. *Travel Weekly*, a twice-weekly industry newspaper based in Secaucus, N.J., launched a new look, with more color and bolder graphics, with its June 18 issue. A service information section called "Clipboard" was also added. □

Joe Mandese coordinates MediaWorks.